

# Agarwal Prakash & Co.

CHARTERED ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Indiabulls Real Estate Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Indiabulls Real Estate Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the 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, and its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.



Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment of investments and loans made to its subsidiaries</b></p> <p>The Company's policies on the impairment assessment of the investments and loans are set out in Note 4.13 to the Standalone Financial Statements.</p> <p>The Company has investments amounting to ₹ 30,782.00 million (net of impairment) and has outstanding loans amounting to ₹ 33,219.10 million (net of impairment) to its subsidiaries as at 31 March 2023 as disclosed under the Note 7 and 15 to the standalone financial statements.</p> <p>Impairment assessment of these investments and loans is considered as a significant risk as there is a risk that recoverability of the investments and loans could not be established, and potential impairment charge might be required to be recorded in the standalone financial statements. The recoverability of these investments is inherently subjective due to reliance on either the net worth of investee or valuations of the properties held or cash flow projections of real estate properties in these investee companies.</p> <p>However, due to their materiality in the context of the Company's standalone financial statements as a whole and significant degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation, this is considered to be the area to be of most significance to the audit and accordingly, has been considered as a key audit matter for the current year audit.</p>	<p>Our procedures in relation to the impairment assessment of investments and loans included, but not limited to the following:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the Company's accounting policy by comparing with applicable Ind AS;</li> <li>We obtained an understanding of the management process for identification of possible impairment indicators and process performed by the management for impairment testing;</li> <li>Enquired of the management and understood the internal controls related to completeness of the list of loans and investment along with the process followed to recover/adjust these and assessed whether further provisioning is required;</li> <li>Performed test of details: <ul style="list-style-type: none"> <li>For all significant additions made during the year, underlying supporting documents were verified to ensure that the transaction has been accurately recorded in the standalone financial statement;</li> <li>For all significant investments and loans outstanding as at 31 March 2023, confirmations were circulated and received. Further, all the significant reconciling items were tested;</li> <li>All material investments and significant loans as at 31 March 2023 were discussed on case to case basis with the management for their plan of recovery/adjustment;</li> <li>Compared the carrying value of material investments and significant loans to the net assets of the underlying entity, to identify whether the net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount; and</li> <li>Wherever the net assets were lower than the recoverable amount, for material amounts:</li> </ul> </li> </ul>



Key audit matter	How our audit addressed the key audit matter
	<p>i. We obtained and verified the management certified cash flow projections of real estate properties and tested the underlying assumptions used by the management in arriving at those projections;</p> <p>ii. We examined the managements' underlying assumptions used for the cash flow projections, considering evidence available to support these assumptions and our understanding of the business;</p> <p>iii. We obtained and verified the valuation of land parcels as per the government prescribed circle rates; and</p> <p>iv. We assessed the appropriateness and adequacy of the disclosures made by the management for the impairment losses recognized in accordance with applicable accounting standards.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

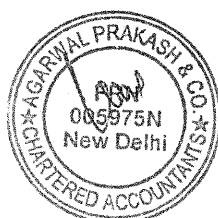
Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 standalone 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, including the Ind AS specified under section 133 of the Act. 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 Standalone 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 with reference to financial statements 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 Standalone 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; and
- Evaluate the overall presentation, structure and content of the Standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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, bases on our audit, we report, to the extent applicable, 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 purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The standalone financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors as on 31 March 2023, 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 over financial reporting 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company, as detailed in Note 51 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023.
  - 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 has been no delay in transferring amounts, 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(c), 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 01 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 No. 005975N

Vikas Aggarwal

Partner

Membership No.: 097846

UDIN: 23097848BGUTZG3684



Place: New 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 maintained proper records showing full particulars of intangible assets.

(b) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company's management carries out the physical verification of Property, Plant and Equipment once in a year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. As explained to us, no material discrepancies were noticed by the management on such physical verification.

(c) According to the information, explanation and representation provided to us and based on verification carried out by us, during the year, the Company does not have any immovable property (other than immovable properties where the company is the lessee and the lease agreements are duly executed in the favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

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) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not given security or granted any advances in the nature of loans, secured or unsecured and to companies, firms, limited liability partnership or any other parties during the year. However, the Company has granted loans and provided guarantee to company in respect to which the requisite information is as below. The Company has not made any investments in companies, firms, Limited liability partnership or any other parties.

(a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has provided loans and provided guarantees as follows:



Particulars	(₹ in million)	
	Guarantees	Loans
Aggregate amount during the year		
-Subsidiaries	1,000.00	4,354.10
-Others	-	2,648.60
Balance outstanding as at balance sheet date		
-Subsidiaries	2,656.00	33,724.60
-Others	-	2,663.50

(b) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not made any investment or given any security during the year but provided guarantees and granted loans to certain subsidiaries and other company. However, the Company has granted loans to certain subsidiaries at nil interest rate which is lower than the market rate of interest. In respect of such loans and guarantees provided, we have not been provided with adequate explanation of the benefits, if any, accruing to the Company for giving such loans and guarantees provided, we are unable to comment as to whether the terms and conditions of grant of such loans and guarantees provided, are, 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, the Company has granted loans to the subsidiary companies that are repayable on demand. The loans, which were, demanded during the year have been duly received. For loans outstanding at the year end, we are informed that the Company has not demanded repayment of any such loan during the year. The payment of interest has been regular.

(d) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no amounts of loans and advances in the nature of loans granted to companies, firms, or any other parties which are overdue for more than ninety days.

(e) According to the information, explanation and representation provided to us and based on verification carried out by us, there were no loans or advance in the nature of loan granted to companies or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted loans which are repayable on demand, as per details below:

Particulars	(₹ in million)		
	All Parties	Promoters	Related Parties
Aggregate of loans			
- Repayable on demand (A)	33,724.60	-	33,724.60
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	33,724.60	-	33,724.60
Percentage of loans	92.68%	-	92.68%

- (iv) In our opinion, and according to the information and explanations given to 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 any deposits or amounts which are deemed to be deposits. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (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. 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 and explanations given to us, the dues outstanding 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:

**Statement of Disputed Dues**

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Disallowance under section 14A	14.60	-	Assessment Year 2009-10	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	16.20	-	Assessment Year 2010-11	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	21.30	-	Assessment Year 2011-12	Hon'ble High Court of Mumbai
Income-tax Act, 1961	Disallowance under section 14A	3.80	-	Assessment Year 2013-14	Income Tax Appellate Tribunal
Income-tax Act, 1961	Disallowance under section 14A and other expenses	28.80	7.20	Assessment Year 2018-19	CIT(A)
Income-tax Act, 1961	Disallowance under section 14A and other expenses	4.80	-	Assessment Year 2020-21	CIT(A)
The Finance Act, 2004 and Service tax rules	Denial of service tax input credit	168.50	-	Assessment year 2011-12 to 2014-15	Assistant Commissioner of Service Tax



The Finance Act, 2004 and Service tax rules	Denial of service tax input credit	101.90	-	Assessment year 2016-17 to June 2017	CESTAT
The Central Goods and Services Tax Act, 2017	Credit of EC, SHEC and KKC taken in TRAN-1	1.60	-	July 2017	Delhi High Court
The Central Goods and Services Tax Act, 2017 (Anti Evasion)	Verification of credit in Trans-1	2.20	-	Balance as at 30/06/2017	Deputy Commissioner, Senior Intelligence Officer, Anti Evasion

(viii) According to the information, explanation and representation provided to us and based on verification carried out by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information, explanation and representation provided to us and based on verification carried out by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) 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 made private placement of equity shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed



thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised. During the year, the Company did not make preferential allotment or private placement of fully or partially or optionally convertible debentures.

- (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, explanation and representation provided to us and based on verification carried out by us, there are no whistle-blower complaints received by the Company during the year.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
- (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 accounting standards.
- (xiv) (a) According to the information and explanations given to us, and the procedures performed by us, the company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit is performed as per a planned program approved by the Board of Directors of the Company. We have considered the reports of the Internal Auditor for the year under audit, issued to the Company during the year.
- (xv) In our opinion 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) As detailed in Note 56 to the financial statements, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance Activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (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 to the Company.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The company has incurred cash losses of Rs. 3,904.70 million in the current financial year 2022-23 and cash losses of Rs. 451.60 million during 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Section 135 of the Companies Act, 2013 with regards to Corporate Social Responsibility are not applicable to the company during the year. Accordingly, clause 3(xx) of the Order is not applicable.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

Vikas Aggarwal

Partner

Membership No.: 097848

UDIN: 23097848BGUTZG3684



Place: New 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 standalone financial statements for the year ended 31 March 2023 of even date.

### **Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements 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 standalone financial statements of Indiabulls Real Estate Limited ('the Company') as of 31 March 2023 in conjunction with our audit of the standalone 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 over financial reporting 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 (the '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 the 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 these standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to these standalone financial statements, and the Guidance Note issued by the 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 these standalone financial statements were 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 controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these standalone financial statements includes obtaining an understanding of such internal financial controls, 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 these standalone financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial controls with reference to these standalone 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 these standalone financial statements include 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 these Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to these standalone 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 these standalone 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 these standalone financial statements and such controls were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

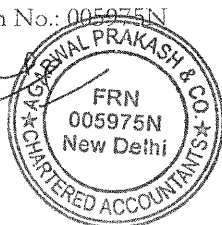


Vikas Aggarwal

Partner

Membership No.: 097848

UDIN: 23097848BGUTZG3684



Place: New Delhi

Date: 30 May 2023

Indiabulls Real Estate Limited  
Balance sheet as at

	Note	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>I ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	32.20	53.90
Intangible assets	6	3.50	-
<b>Financial assets</b>			
Investments	7 A	31,888.90	38,543.90
Other financial assets	8 A	4.30	503.80
Deferred tax assets (net)	9	12.80	16.30
Non-current tax assets (net)	10	140.30	410.60
		<b>32,082.00</b>	<b>39,528.50</b>
<b>Current assets</b>			
Inventories	11	9.00	9.00
<b>Financial assets</b>			
Investments	7 B	124.00	-
Trade receivables	12	-	-
Cash and cash equivalents	13	107.80	118.70
Other bank balances	14	564.20	63.90
Loans	15	35,882.60	28,879.90
Other financial assets	8 B	0.50	0.50
Other current assets	16	143.40	181.50
Assets classified held for sale	17	0.40	0.40
		<b>36,831.90</b>	<b>29,253.90</b>
<b>Total of Assets</b>		<b>68,913.90</b>	<b>68,782.40</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18 A	1,082.20	906.00
Other equity	19	66,320.10	62,470.40
		<b>67,402.30</b>	<b>63,376.40</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20 A	-	-
Lease liabilities	21 A	14.40	32.30
Provisions	22 A	1.80	6.10
		<b>16.20</b>	<b>38.40</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	20 B	1,443.20	5,110.00
Lease liabilities	21 B	17.80	15.80
Other financial liabilities	23	11.00	215.00
Other current liabilities	24	14.90	26.70
Provisions	22 B	0.00	0.10
Current tax liabilities (net)	25	8.50	-
		<b>1,495.40</b>	<b>5,367.60</b>
<b>Total of Equity &amp; Liabilities</b>		<b>68,913.90</b>	<b>68,782.40</b>

Summary of significant accounting policies 4

The accompanying notes are an integral part of the standalone financial statements

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

For Agarwal Prakash & Co  
Chartered Accountants

Firm's Registration Number: 005975N

PRN

005975N

New Delhi

Partner

CHARTERED ACCOUNTANTS

Place: New Delhi

Date: 30 May 2023

For and on behalf of the board of directors

Sachin Shah

Whole-time director

[DIN: 00387166]

Place: Mumbai

Date: 30 May 2023

Manish Kumar Sinha

Chief Financial Officer

Place: Mumbai

Date: 30 May 2023

Shyam Marwala

Shyam Marwala

Director

[DIN: 00350235]

Place: Mumbai

Date: 30 May 2023

Chander Shekhar Joshi

Company Secretary

Place: Mumbai

Date: 30 May 2023

Indiabulls Real Estate Limited  
Statement of profit and loss for the year ended

	Note	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>Revenue</b>			
Revenue from operations	26	27.80	0.00
Other income	27	389.80	104.80
<b>Total Revenue</b>		<b>417.60</b>	<b>104.80</b>
<b>Expenses</b>			
Cost of revenue	28	-	-
Employee benefits expense	29	147.70	69.80
Finance costs	30	272.60	460.70
Depreciation and amortisation expense	31	22.20	18.70
Other expenses	32	3,937.40	108.20
<b>Total Expenses</b>		<b>4,379.90</b>	<b>657.40</b>
<b>Loss before tax</b>		<b>(3,962.30)</b>	<b>(552.60)</b>
<b>Tax expenses</b>	33		
Current tax- earlier years		2.00	-
Deferred tax charge		3.10	11.50
		<b>5.10</b>	<b>11.50</b>
<b>Loss after tax</b>		<b>(3,967.40)</b>	<b>(564.10)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit and loss			
Equity instruments through other comprehensive income		(525.70)	613.30
Re-measurement of defined benefit plans		1.30	(0.60)
Income tax effect		(0.50)	0.20
<b>Other comprehensive income</b>		<b>(524.90)</b>	<b>612.90</b>
<b>Total comprehensive income for the year</b>		<b>(4,492.30)</b>	<b>48.80</b>
<b>Earnings per equity share</b>	34		
Basic (₹)		(7.36)	(1.24)
Diluted (₹)		(7.36)	(1.24)

Summary of significant accounting policies 4  
The accompanying notes are an integral part of the standalone financial statements

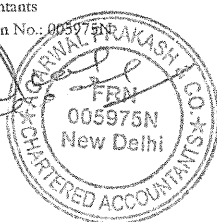
This is the standalone statement of profit and loss referred to in our report of even date.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

Vikas Aggarwal  
Partner



For and on behalf of the board of directors

Sachin Shah  
Whole-time director  
[DIN: 00387166]

Shyammi Mariwala  
Director  
[DIN: 00350235]

Place: New Delhi  
Date: 30 May 2023

Place: Mumbai  
Date: 30 May 2023

Manish Kumar Sinha  
Chief Financial Officer

Place: Mumbai  
Date: 30 May 2023

Chandra Shekhar Joshi  
Company Secretary

Place: Mumbai  
Date: 30 May 2023

Place: Mumbai  
Date: 30 May 2023



Indiabulls Real Estate Limited  
Cash flow statement for the year ended

	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>A Cash flow from operating activities:</b>		
Loss before tax	(3,962.30)	(552.60)
<i>Adjustments for:</i>		
Interest expense on income tax	0.00	0.20
Interest expense on borrowings	268.30	458.00
Depreciation and amortisation expenses	22.20	18.70
Interest on lease liabilities	4.30	2.70
Loss on Property, plant and equipment written off	0.10	2.40
Interest on income tax refund	(114.10)	(10.60)
Interest income	(235.30)	(83.00)
Provision for employee benefits	3.70	1.00
Share based payment expense	10.90	25.00
Provisions for bad & doubtful advances	-	2.00
Balances Written Off	17.40	48.10
Income on fair valuation of financial assets	(0.30)	-
Loss on sale of investments in bond	6.70	-
Loss on sale of investments in subsidiaries (net)	3,821.50	-
Profit on sale of investments	(40.00)	(8.30)
<b>Operating (loss) before working capital changes and other adjustments:</b>	<b>(196.90)</b>	<b>(96.40)</b>
<i>Working capital changes and other adjustments:</i>		
Others current and non-current assets	(3.40)	(33.90)
Other current and non-current financial assets	-	(4.60)
Other current financial liabilities	1.20	9.80
Other current liabilities and provisions	(18.50)	25.00
<b>Cash flow(used in)/generated from operating activities</b>	<b>(217.60)</b>	<b>(100.10)</b>
Income taxes refund (net)	384.50	153.50
<b>Net cash generated from /(used in) operating activities</b>	<b>166.90</b>	<b>53.40</b>
<b>B Cash flow from investing activities:</b>		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(4.00)	(0.40)
Movement in fixed deposits (net)	-	33.00
Proceeds from sale of bond	6,090.40	-
Investment in bond	(5,950.00)	-
(Investment)/sale in Mutual Fund	(83.70)	8.30
Proceeds from sale and buyback of investments - equity shares	1,541.30	0.10
Proceeds from sale of investments - preference shares	503.60	-
Proceeds from sale of investments - debentures	1,232.50	-
Proceeds from sale of investments in joint ventures companies and others - equity shares	-	900.00
Inter-corporate loans and advances received back/(given to) subsidiary companies (net)	(5,491.10)	(577.10)
Inter-corporate loans received back others	5,883.60	25.00
Inter-corporate loans (given to) others	(8,470.00)	-
Interest received	192.70	84.70
<b>Net cash generated from/ (used in) investing activities</b>	<b>(4,554.70)</b>	<b>473.60</b>
<b>C Cash flow from financing activities: (refer note 54)</b>		
Proceeds from issue of equity share capital (including securities premium)	8,540.60	82.50
Proceeds from issue of debentures	-	1,500.00
Redemption of debentures	(3,750.00)	(1,700.00)
Inter-corporate borrowings taken	116.00	107.50
Inter-corporate borrowings repaid	(34.40)	(36.50)
Interest paid on borrowings	(472.00)	(414.00)
Payment of lease liabilities (inclusive of interest paid amounting to ₹ 4.30 million (31 March 2022 ₹ 2.50 million))	(23.30)	(14.40)
<b>Net cash generated from/(used in) financing activities</b>	<b>4,376.90</b>	<b>(474.90)</b>
<b>D Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(10.90)</b>	<b>54.10</b>
<b>E Cash and cash equivalents at the beginning of the year (refer note a below)</b>	<b>118.70</b>	<b>64.60</b>
<b>F Cash and cash equivalents at the end of the year (D+E)</b>	<b>107.80</b>	<b>118.70</b>



Indiabulls Real Estate Limited  
Cash flow statement for the year ended

Note:

- a) Cash and cash equivalents includes :  
Cash on hand  
Balances with banks  
In current accounts

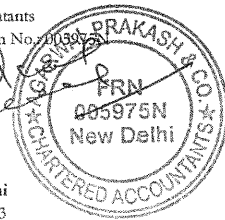
107.80	118.70
<u>107.80</u>	<u>118.70</u>

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

For Agarwal Prakash & Co.  
Chartered Accountants  
Firm's Registration No. 003975N

Vikas Agarwal  
Partner

Place: New Delhi  
Date: 30 May 2023



For and on behalf of board of directors

Sachin Shah  
Whole-time director  
[DIN: 00387166]

Place: Mumbai  
Date: 30 May 2023

Manish Kumar Sinha  
Chief Financial Officer

Place: Mumbai  
Date: 30 May 2023

Shyam M. Mariwala  
Director  
[DIN: 00350235]

Place: Mumbai  
Date: 30 May 2023

Chandra Shekhar Joshi  
Company Secretary

Place: Mumbai  
Date: 30 May 2023

Indiabulls Real Estate Limited  
Statement of changes in equity for the period ended 31 March 2023

(₹ in million)						
A Equity share capital*						
Particulars	Balance as at 1 April 2021	Issue of equity share capital during the year	Investment in Treasury Shares (Own Shares)	Balance as at 31 March 2022	Issue of equity share capital during the year	Balance as at 31 March 2023
Equity share capital	903.10	2.90	-	906.00	171.10	1,082.20

8,502.00

Description	Reserves and surplus						(₹ in million)	
	General reserve	Capital reserve	Debt redemption reserve	Capital redemption reserve	Share options outstanding account	Securities premium	Other comprehensive income	
							Fair valuation of equity instruments	Total
Balance as at 1 April 2021	5,126.50	2,772.10	2,706.30	220.10	56.50	53,690.70	(2,163.70)	62,317.10
Loss for the year	-	-	-	-	-	-	(564.10)	(564.10)
Other comprehensive income	-	-	-	-	-	-	-	-
Re-measurement of defined benefit plans (net of tax)	-	-	-	-	-	-	(0.40)	(0.40)
Equity instruments through other comprehensive income	-	-	-	-	-	-	613.30	613.30
Share based options for employees of subsidiaries	-	-	-	-	-	-	-	-
Issue of equity shares (including exercise of stock options)	-	-	-	-	(53.50)	133.10	-	79.60
Transfer from retained earnings on account of creation of debt redemption reserve	2,143.80	-	(2,143.80)	-	-	-	-	-
Share based payment expense	-	-	-	-	24.90	-	-	24.90
Transfer to retained earnings on account of stock options lapsed	-	-	-	-	(3.00)	-	-	-
Balance as at 31 March 2022	7,270.30	2,772.10	562.50	220.10	24.90	53,823.80	(2,725.20)	62,470.40
Loss for the year	-	-	-	-	-	-	(3,967.40)	(3,967.40)
Other comprehensive income	-	-	-	-	-	-	-	-
Re-measurement of defined benefit plans (net of tax)	-	-	-	-	-	-	0.80	0.80
Equity instruments through other comprehensive income	-	-	-	-	-	-	(525.70)	(525.70)
Share based options for employees of subsidiaries	-	-	-	-	-	-	-	-
Issue of equity shares (including exercise of stock options)	-	-	-	-	-	8,330.90	-	8,330.90
Transfer from retained earnings on account of creation of debt redemption reserve	562.50	-	(562.50)	-	-	-	-	-
Share based payment expense	-	-	-	-	11.10	-	-	11.10
Balance as at 31 March 2023	7,832.80	2,772.10	-	220.10	36.00	62,154.70	(3.80)	66,320.10

\*Refer note 18.4 for details

\*\*Refer note 19 for details



Indiabulls Real Estate Limited  
Statement of changes in equity for the period ended 31 March 2023

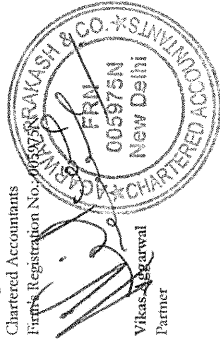
This is the standalone statement of changes in equity referred to in our report of even date.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

New Delhi




Vikas Agarwal  
Partner

Place: New Delhi  
Date: 30 May 2023

For and on behalf of the board of directors


  
Sachin Shah  
Joint Managing Director  
[DIN: 00387166]

  
Shyam Marwala  
Director  
[DIN: 00350235]

Place: Mumbai  
Date: 30 May 2023

  
Manish Kumar Sinha  
Chief Financial Officer

Place: Mumbai  
Date: 30 May 2023

  
Chandan Shekhar Joshi  
Company Secretary

Place: Mumbai  
Date: 30 May 2023

Place: Mumbai  
Date: 30 May 2023

## Indiabulls Real Estate Limited

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

#### 1. Company information and nature of principal activities

Indiabulls Real Estate Limited ('the Company') was incorporated on 04 April 2006 with the main objects of carrying on the business of real estate properties advisory, properties marketing, maintenance of completed properties, engineering, industrial and technical consultancy, construction and development of real estate properties and other related and ancillary activities. The Company is domiciled in India.

During the year 2021-22, the Company shifted its registered office, within the city, from Plot No. 448-451, Udyog Vihar, Phase-V, Gurugram - 122016, Haryana, to Office No 01-1001, WeWork, Blue One Square, Udyog Vihar Phase 4 Rd, Gurugram, Haryana 122016.

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

These standalone financial statements ('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.

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.

#### Recent accounting pronouncement

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.



**Indiabulls Real Estate Limited**

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

**3. Basis of accounting**

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 for certain financial assets and financial liabilities and share based payments which are measured 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.

**4. 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.

**4.1 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.

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

*Recognition and initial measurement*

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

*Subsequent measurement (depreciation and useful lives)*

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

Asset class	Useful life
Plant and equipment	12 – 15 years
Office equipment	5 years
Computers	3 – 6 years
Furniture and fixtures	10 years
Vehicles	8 years

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

*De-recognition*

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



## Indiabulls Real Estate Limited

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

#### 4.3 Intangible assets

##### *Recognition and initial measurement*

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

##### *Subsequent measurement (amortisation)*

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

##### *De-recognition*

Intangible assets are de-recognised upon disposal or when no further 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 the statement of profit and loss, when the asset is de-recognised.

#### 4.4 Asset classified as held for sale

Non-current assets are classified as held for sale if their sale is considered highly probable. They are measured at fair value less cost to sell.

#### 4.5 Inventories

Land other than that transferred to real estate properties under development is valued at lower of cost or net realizable value.

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

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

#### 4.6 Revenue recognition

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

##### *Revenue from real estate properties advisory and management services*

Income arising from real estate properties advisory services is recognised in the period in which the services are being rendered. The Company considers the terms of the contract and its customary business practices to determine the transaction price. The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

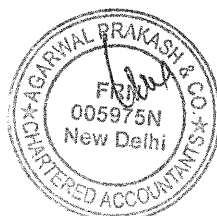
##### *Profit on sale of investment with underlying business*

Profit on sale of investments of entities in the real estate business is recognised when 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. However, in case of loss on sale of such investments, the same is recognised as part of other expense.

##### *Interest income*

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

##### *Gain on amortised cost financial assets*



## Indiabulls Real Estate Limited

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

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.

#### 4.7 Borrowing costs

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.

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.

If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

#### 4.8 Right of use assets and lease liabilities

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

##### *Classification of leases*

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

##### *Recognition and initial measurement*

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

##### *Subsequent measurement*

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in statement of profit and loss on a straight-line basis over the lease term.





## Indiabulls Real Estate Limited

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

#### 4.9 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.

#### 4.10 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 when they arise.

#### 4.11 Investments

Investment in equity instruments of subsidiaries and joint ventures are measured at cost as per Ind AS 27 'Separate Financial Statements'.

#### 4.12 Financial instruments

##### **Non-derivative 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.



## Indiabulls Real Estate Limited

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

- 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 measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income).

#### **Non-derivative 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 measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income). The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### **Derivatives**

The Company has entered into certain forward (derivative) contracts to hedge risks. These derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Any profit or loss arising on cancellation or renewal of such derivative contract is recognised as income or as expense for the period.

#### **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.

#### **4.13 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.



## Indiabulls Real Estate Limited

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

#### *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.

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

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

When there is uncertainty over income tax treatments, in such a circumstance, current or deferred tax asset or liability is recognised and measured accordingly. For example, current and deferred tax asset or liability on dividends in profit or loss, other comprehensive income or equity accordingly.

#### **4.15 Cash and cash equivalents**

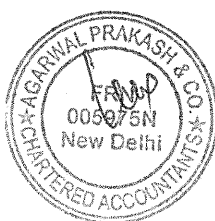
Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **4.16 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*



## Indiabulls Real Estate Limited

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

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.

Current service cost is computed using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period. However, if an entity re-measures the net defined benefit liability (asset), it determines current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement using the actuarial assumptions used to re-measure the net defined benefit liability (asset). 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.

#### **4.17 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.

#### **4.18 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.

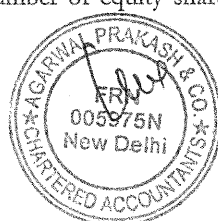
Contingent liability is disclosed for:

- 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.

#### **4.19 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.



**Indiabulls Real Estate Limited**

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

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.

**4.20 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**4.21 Significant management judgement in applying accounting policies and estimation uncertainty**

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

*Significant management judgements*

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

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

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

**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.

**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.

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Indiabulls Real Estate Limited

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

Note - 5

Property, plant and equipment

(₹ in million)

	Plant and equipment	Office equipment	Computers	Right of use assets *	Furniture and fixtures	Vehicles	Total
<b>Gross block</b>							
As at 1 April 2021	120.50	3.70	4.30	10.20	23.20	41.60	203.50
Additions	-	0.20	0.20	60.70	-	-	61.10
Disposals/adjustments	-	2.70	3.90	-	20.50	2.80	29.90
<b>As at 31 March 2022</b>	<b>120.50</b>	<b>1.20</b>	<b>0.60</b>	<b>70.90</b>	<b>2.70</b>	<b>38.80</b>	<b>234.70</b>
Additions	-	0.10	0.20	-	-	-	0.30
Disposals/adjustments	118.10	-	0.30	-	-	30.80	149.20
<b>Balance as at 31 March 2023</b>	<b>2.40</b>	<b>1.30</b>	<b>0.50</b>	<b>70.90</b>	<b>2.70</b>	<b>8.00</b>	<b>85.80</b>
<b>Accumulated depreciation &amp; amortisation</b>							
As at 1 April 2021	120.30	3.20	4.10	7.90	18.50	35.50	189.50
Charge for the year	0.10	0.20	0.10	12.00	1.30	5.00	18.70
Disposals/adjustments	-	2.50	3.90	-	18.20	2.80	27.40
<b>As at 31 March 2022</b>	<b>120.40</b>	<b>0.90</b>	<b>0.30</b>	<b>19.90</b>	<b>1.60</b>	<b>37.70</b>	<b>180.80</b>
Charge for the year	0.10	0.10	0.10	20.40	0.20	1.10	22.00
Disposals/adjustments	118.10	-	0.30	-	-	30.80	149.20
<b>Balance as at 31 March 2023</b>	<b>2.40</b>	<b>1.00</b>	<b>0.10</b>	<b>40.30</b>	<b>1.80</b>	<b>8.00</b>	<b>53.60</b>
<b>Net block as at 31 March 2022</b>	<b>0.10</b>	<b>0.30</b>	<b>0.30</b>	<b>51.00</b>	<b>1.10</b>	<b>1.10</b>	<b>53.90</b>
<b>Net block as at 31 March 2023</b>	<b>-</b>	<b>0.30</b>	<b>0.40</b>	<b>30.60</b>	<b>0.90</b>	<b>-</b>	<b>32.20</b>

\*Leashold Office workspaces

(i) Capitalised borrowing cost

No borrowing cost has been capitalised on property, plant and equipment.

(ii) Property, plant and equipment pledge as security

Refer note 20 for information on property, plant and equipment pledged as security for borrowings by the Company.

Note - 6

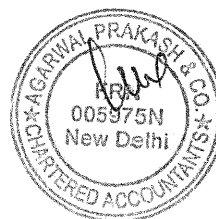
Intangible assets

(₹ in million)

	Softwares	Total
<b>Gross block</b>		
As at 1 April 2021	-	-
Additions	-	-
Disposals/assets written off	-	-
<b>As at 31 March 2022</b>	<b>-</b>	<b>-</b>
Additions	3.70	3.70
Disposals/assets written off	-	-
<b>Balance as at 31 March 2023</b>	<b>3.70</b>	<b>3.70</b>
<b>Accumulated amortisation</b>		
As at 1 April 2021	-	-
Charge for the year	-	-
Disposals/assets written off	-	-
<b>As at 31 March 2022</b>	<b>-</b>	<b>-</b>
Charge for the year	0.20	0.20
Disposals/assets written off	-	-
<b>Balance as at 31 March 2023</b>	<b>0.20</b>	<b>0.20</b>
<b>Net block as at 31 March 2022</b>	<b>-</b>	<b>-</b>
<b>Net block as at 31 March 2023</b>	<b>3.50</b>	<b>3.50</b>

(i) Capitalised borrowing cost

No borrowing cost has been capitalised on Intangible assets.



Indiabulls Real Estate Limited

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

	31 March 2023		31 March 2022	
	Number	Amount (₹ in million)	Number	Amount (₹ in million)
Note - 7				
A Investments - non-current*				
(i) Investment in equity shares**				
Others - quoted				
RatanIndia Power Limited#	21,90,50,000	646.20	21,90,50,000	1,171.90
Subsidiaries - unquoted				
Aizmid Developers Limited (refer note c below)	-	-	98,039	1.80
Albasta Properties Limited	50,000	0.50	50,000	0.50
Albasta Real Estate Limited	50,000	0.50	50,000	0.50
Albina Properties Limited (refer note c below)	-	-	50,000	0.50
Angles Constructions Limited	50,000	0.50	50,000	0.50
Apesh Constructions Limited	50,000	0.50	50,000	0.50
Apesh Properties Limited	50,000	0.50	50,000	0.50
Apesh Real Estate Limited	50,000	0.50	50,000	0.50
Athena Builders and Developers Limited	50,000	0.50	50,000	0.50
Athena Buildwell Limited	50,000	13.80	50,000	13.80
Athena Infrastructure Limited^^	98,039	14.25	98,039	14.25
Athena Land Development Limited	50,000	0.50	50,000	0.50
Aurora Builders and Developers Limited	50,000	0.50	50,000	0.50
Bridget Builders and Developers Limited	50,000	467.00	50,000	467.00
Catherine Builders and Developers Limited	50,000	425.10	50,000	425.10
Ceres Estate Limited	7,50,00,000	1,499.50	7,50,00,000	1,499.50
Ceres Land Development Limited	50,000	0.50	50,000	0.50
Ceres Properties Limited	50,000	0.50	50,000	0.50
Citra Developers Limited	50,000	0.50	50,000	0.50
Citra Properties Limited	98,039	1.50	98,039	1.50
Cobitis Real Estate Limited	50,000	0.50	50,000	0.50
Dev Property Development Plc (face value Pence 1)	3,80,428	30.10	3,80,428	30.10
Devona Developers Limited	50,000	0.50	50,000	0.50
Diana Infrastructure Limited	50,000	0.50	50,000	0.50
Edesia Constructions Limited	50,000	0.50	50,000	0.50
Edesia Developers Limited	50,000	0.50	50,000	0.50
Edesia Infrastructure Limited	50,000	0.50	50,000	0.50
Elena Constructions Limited	50,000	0.50	50,000	0.50
Elena Properties Limited	50,000	0.50	50,000	0.50
Farna Properties Limited	50,000	0.50	50,000	0.50
Flora Land Development Limited (refer note c below)	-	-	50,000	0.50
Formax Real Estate Limited	98,039	1.00	98,039	1.00
Grand Limited (face value of GBP 1 each)	1,000	0.10	1,000	0.10
Hermes Builders and Developers Limited	50,000	0.50	50,000	0.50
IB Holdings Limited	50,000	0.50	50,000	0.50
Indiabulls Buildcon Limited	6,68,920	540.50	6,68,920	540.50
Indiabulls Constructions Limited^^	50,000	13.40	50,000	13.40
Indiabulls Estate Limited	32,74,734	835.30	32,74,734	835.30
Indiabulls Housing and Land Development Limited	50,000	0.50	50,000	0.50
Indiabulls Housing Developers Limited	50,000	0.50	50,000	0.50
Indiabulls Industrial Infrastructure Limited^^	6,50,00,000	653.60	6,50,00,000	653.60
Indiabulls Infraestate Limited	2,27,440	16,262.10	2,27,440	16,262.10
Indiabulls Lands Limited	50,000	0.50	50,000	0.50
Indiabulls Multiplex Services Limited	50,000	6.70	50,000	6.70
Indiabulls Projects Limited	10,00,00,000	1,000.00	10,00,00,000	1,000.00
Indiabulls Realty Company Limited	50,000	0.50	50,000	0.50
Ivonne Infrastructure Limited	50,000	0.50	50,000	0.50
Juventus Estate Limited^^ (refer note b below)	-	-	98,039	10.70
Lenus Constructions Limited	50,000	0.50	50,000	0.50
Lenus Infrastructure Limited	50,000	0.50	50,000	0.50
Lenus Properties Limited	50,000	0.50	50,000	0.50
Lirnet Constructions Limited	50,000	0.50	50,000	0.50
Lirnet Developers Limited	50,000	0.50	50,000	0.50
Lirnet Infrastructure Limited	50,000	0.50	50,000	0.50
Lirnet Properties Limited	50,000	0.50	50,000	0.50
Lirnet Real Estate Limited	50,000	0.50	50,000	0.50
Lorena Builders Limited	50,000	0.50	50,000	0.50
Lucina Land Development Limited^^	50,000	20.30	50,000	20.30
Mabon Constructions Limited	50,000	4.10	50,000	4.10
Mabon Properties Limited (refer note b below)	-	-	50,000	0.50
Nakala Infrastructure Limited	50,000	0.50	50,000	0.50
Balance carried forward		22,453.55		22,993.25



Indiabulls Real Estate Limited

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

	31 March 2023		31 March 2022	
	Number	Amount (₹ in million)	Number	Amount (₹ in million)
Balance carried over		22,453.55		22,993.25
Manjola Infrastructure Limited	50,000	0.50	50,000	0.50
Mariana Constructions Limited	50,000	2.10	50,000	2.10
Mariana Developers Limited (refer note c below)	-	-	50,000	0.50
Mariana Real Estate Limited	50,000	61.30	50,000	61.30
Nilgiri Infrastructure Limited	50,000	0.50	50,000	0.50
Nilgiri Infrastructure Projects Limited	50,000	0.50	50,000	0.50
Parmida Properties Limited	50,000	0.50	50,000	0.50
Selene Builders and Developers Limited (refer note 44)	-	-	50,000	0.50
Selene Constructions Limited <sup>***</sup>	98,039	3.80	98,039	3.80
Selene Infrastructure Limited	1,00,00,000	100.00	1,00,00,000	100.00
Selene Land Development Limited	50,000	0.50	50,000	0.50
Sentia Constructions Limited	50,000	3.90	50,000	3.90
Sentia Infrastructure Limited	50,000	0.50	50,000	0.50
Sentia Real Estate Limited	50,000	0.50	50,000	0.50
Sepset Developers Limited	50,000	0.50	50,000	0.50
Serpentes Constructions Limited	50,000	0.50	50,000	0.50
Sophia Constructions Limited	50,000	0.50	50,000	0.50
Sophia Real Estate Limited	50,000	0.50	50,000	0.50
Sylvanus Properties Limited <sup>***</sup>	1,00,00,000	121.40	1,00,00,000	121.40
Balance carried forward		22,751.55		23,292.25

	Number	Amount (₹ in million)	Number	Amount (₹ in million)
Balance carried over		22,751.55		23,292.25
Tapir Constructions Limited	50,000	0.50	50,000	0.50
Triton Properties Limited	50,000	0.50	50,000	0.50
Varali Constructions Limited	50,000	0.50	50,000	0.50
Varali Infrastructure Limited	50,000	144.10	50,000	144.10
Varali Properties Limited	50,000	0.50	50,000	0.50
Varali Real Estate Limited	50,000	0.50	50,000	0.50
Vindhyachal Land Development Limited	50,000	0.50	50,000	0.50
Zeus Buildwell Limited	50,000	0.50	50,000	0.50
Zeus Estate Limited	50,000	0.50	50,000	0.50
Sub-total		22,899.65		23,440.35
Less: Impairment in the value of investments		10.55		10.55
Sub-total (i)		22,889.10		23,429.80

(ii) Investment in preference shares##

Subsidiaries - unquoted

Aeroid Developers Limited (0.0001% compulsorily convertible preference shares) (refer note c below)	-	-	5,92,664	16.00
Athena Infrastructure Limited (0.0001% compulsorily convertible preference shares)	3,14,099	3.90	3,14,099	3.90
Citra Properties Limited (0.0001% compulsorily convertible preference shares)	1,70,284	3.40	1,70,284	3.40
Formax Real Estate Limited (0.0001% compulsorily convertible preference shares)	5,47,632	547.60	5,47,632	547.60
Indiabulls Estate Limited (14% optionally convertible preference shares)	2,06,33,954	0.10	2,06,33,954	0.10
Juventus Estate Limited (0.0001% compulsorily convertible preference shares) (refer note b below)	-	-	3,55,627	11.70
Selene Constructions Limited (0.0001% compulsorily convertible preference shares)	3,91,519	4.90	3,91,519	4.90
Indiabulls Constructions Limited (0.00001% optionally convertible redeemable preference shares, face value of ₹ 10 each)	62,32,80,000	700.00	62,32,80,000.00	700.00
Indiabulls Constructions Limited (0.001% non-convertible redeemable preference shares, face value of ₹ 10 each)	45,00,00,000	4,500.00	45,00,00,000.00	4,500.00
Makala Infrastructure Limited (0.001% non-convertible redeemable preference shares, face value of ₹ 10 each)	90,00,000	90.00	90,00,000	90.00
Sub-total (ii)		5,849.90		5,877.60

(iii) Investment in debentures

Subsidiaries - unquoted

Optionally convertible debentures ^

Aeroid Developers Limited (refer note c below)	-	-	12,10,560	3,203.10
Athena Infrastructure Limited	6,42,000	771.90	6,42,000	771.90
Citra Properties Limited	3,48,500	681.30	3,48,500	681.30
Indiabulls Estate Limited	3,17,081	696.10	3,17,081	696.10
Juventus Estate Limited (refer note b below)	-	-	10,96,893	2,715.90
Selene Constructions Limited	8,00,000	983.40	8,00,000	983.40

Sub-total		3,132.70		9,051.70
Less: Impairment in the value of investments		443.50		443.50
Sub-total (iii)		2,689.20		8,608.20





	31 March 2023		31 March 2022	
	Number	Amount (₹ in million)	Number	Amount (₹ in million)
(iv) Investment in bonds <sup>^^</sup>				
Others - unquoted <sup>###</sup>				
Housing Development Finance Corporation Limited (Coupon rate 8.44%)	-	-	8	87.90
Housing Development Finance Corporation Limited (Coupon rate 8.45%)	-	-	20	214.90
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	-	-	12	129.40
Housing Development Finance Corporation Limited (Coupon rate 8.35%)	-	-	10	109.90
Housing Development Finance Corporation Limited (Coupon rate 8.46%)	-	-	7	75.20
LIC Housing Finance Limited (Coupon rate 8.47% and face value of ₹ 1,000,000 each)	-	-	10	11.00
Others - quoted <sup>###</sup>				
Indiabulls Commercial Credit Limited (Coupon rate 9% and face value of ₹ 1,000,000 each)	44	460.70	-	-
Sub-total (iv)		460.70		628.30
Grand Total (i+ii+iii+iv)		31,888.90		38,543.90
Aggregate amount of unquoted investments (net)		30,782.00		37,372.00
Aggregate amount of quoted investments and market value		1,106.90		1,171.90
Aggregate amount of impairment in the value of investments		454.05		454.05

**Notes**

- (a) During the previous year, a wholly owned subsidiary of the Company namely Shoxell Holding Limited had bought back 1,000 shares from the Company for an aggregate consideration of ₹ 0.10 million and accordingly, the Company has recognized profit on buyback amounting to ₹ 0.03 million in these financial statements.
- (b) During the year ended 31 March 2023, pursuant to a Share Purchase Agreement, the Company had divested its 100% stake, on a fully diluted basis, in its wholly owned subsidiaries Juventus Estate Limited, and Mahon Properties Limited, which collectively own the land parcel admeasuring approximately 35 acres, at Sector 104, Dwarka Expressway, Gurugram, Haryana. With this, Juventus Estate Limited, Mahon Properties Limited and Milkyway Buildcon Limited (which is a 100% subsidiary of Juventus Estate Limited) ceased to be the subsidiaries of the Company w.e.f. December 23, 2022, for an aggregate consideration of ₹ 2,400.00 million. Pursuant to the transaction, the Company has incurred a loss of ₹ 3,849.30 million and such loss has been disclosed under other expenses in the standalone financial statements.
- (c) During the year ended 31 March 2022, the Company had entered into a term sheet with a third party relating to a disposal ("Disposal") of its interest in a land parcel at Sector 106, Gurgaon. Subsequently, during the year ended 31 March 2023, the Company had entered into a share purchase agreement ("SPA") with the relevant party relating to the aforementioned Disposal, subject to the satisfaction of certain conditions precedent. Further to the SPA, during the year ended 31 March 2023 the Company's 100% stake in its subsidiaries namely Airmid Developers Limited, Mariana Developers Limited, Albina Properties Limited and Flora Land Development Limited (which owns the land parcel at Village Pawala Khusrupur, Sector 106, Tehsil and District Gurugram, Haryana) was sold to an independent third party buyer 'Elan Limited' at an aggregate sale consideration of ₹ 5,840.00 million, with satisfactory completion of closing conditions and transfer of Company's 100% shareholding/stake in said subsidiaries. With this, Airmid Developers Limited, Mariana Developers Limited, Albina Properties Limited & Flora Land Development Limited ceased to be subsidiaries of the Company. Pursuant to the transaction, the Company has booked profit of ₹ 27.80 million and such profit has been disclosed under revenue from operation in the standalone financial statements.

\*All the investment in subsidiaries are measured at cost as per Ind AS 27 'Separate Financial Statements'

\*\*Face value of ₹ 10 each unless otherwise stated.

#This investment (being strategic in nature) is measured at fair value through other comprehensive income ("FVOCI"). The above values represents the fair values as at the end of the respective reporting period. No dividends have been received from such investments during the year. These shares are pledged and are in process of release of pledge.

## Face value of ₹ 1,000 each unless otherwise stated

^ Face value of ₹ 1,000 each and coupon rate is 0.0001%, unless otherwise stated

^^Face value of ₹ 10,000,000 each unless otherwise stated

^^^The investments include the investment booked for subsidiaries on account of stock options issued to employees of those subsidiaries

#### including interest earned on bonds

	Number	Amount (₹ in million)	Number	Amount (₹ in million)
B Investments - current				
Investment in mutual funds (quoted)*				
Aditya Birla Sun Life Liquid Fund- Growth Direct Plan (NAV:- 363.08 per units (31 March 2022: Nil))	3,41,644.78	124.00	-	-
		124.00		-
		124.00		-
Aggregate book value of unquoted investments		-		-
Aggregate amount of quoted investments and market value		124.00		-

\*This investment is measured at fair value through profit and loss account.



Indiabulls Real Estate Limited

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

	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
Note - 8		
<b>A Other financial assets - non-current</b>		
Bank deposits with maturity of more than 12 months (refer note (a) below)	-	500.00
Security deposits - premises	4.30	3.60
Security deposits - others	-	0.20
	<b>4.30</b>	<b>503.80</b>

**Notes:**

- (a) Bank deposits of ₹Nil (31 March 2022: ₹ 500.00 million) have been lien marked to third party as a security to fulfill certain business obligations.

**B Other financial assets - current**

Security deposits - others	2.00	2.00
Earnest money deposit	0.10	0.10
Other receivables	-	0.00
Other advances*	0.40	0.40
	<b>2.50</b>	<b>2.50</b>
Less: provisions for bad & doubtful advances	(2.00)	(2.00)
	<b>0.50</b>	<b>0.50</b>

\*Bambay Stock Exchange Limited Debt Securities Recovery Expense Fund

**Note - 9**

**Deferred tax assets (net)**

Deferred tax asset arising on account of:

Property, plant and equipment and intangible assets - depreciation and amortisation	11.80	13.40
Right of use assets and lease liability	0.40	0.80
Employee benefits		
Gratuity and compensated absences	0.60	2.10
	<b>12.80</b>	<b>16.30</b>

- (i) The Company has unabsorbed business losses amounting to ₹ 4,006.60 million (31 March 2022: ₹ 3,655.90 million) on which no deferred tax asset is recognised considering there is no probability which demonstrate realisation of deferred tax asset in the near future. Further these losses are available for offset for maximum period of eight years from the date of incurrence of loss.

- (ii) Caption wise movement in deferred tax assets as follows:

	31 March 2021	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2022
<b>Assets</b>				
Property, plant and equipment and intangible assets	9.10	-	4.30	13.40
Right of use assets and lease liability	0.20	-	0.60	0.80
Employee benefits	18.30	0.20	(16.40)	2.10
<b>Total</b>	<b>27.60</b>	<b>0.20</b>	<b>(11.50)</b>	<b>16.30</b>

	31 March 2022	Recognised in other comprehensive income	Recognised in Statement of profit and loss	31 March 2023
<b>Assets</b>				
Property, plant and equipment and intangible assets	13.40	-	(1.60)	11.80
Right of use assets and lease liability	0.80	-	(0.40)	0.40
Employee benefits	2.10	(0.50)	(1.00)	0.60
<b>Total</b>	<b>16.30</b>	<b>(0.50)</b>	<b>(3.00)</b>	<b>12.80</b>



Indiabulls Real Estate Limited

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

	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>Note - 10</b>		
<b>Non-current tax assets (net)</b>		
Advance income tax, including tax deducted at source (net of provisions)	140.30	410.60
	<u>140.30</u>	<u>410.60</u>
<b>Note - 11</b>		
<b>Inventories</b>		
Land	9.00	9.00
	<u>9.00</u>	<u>9.00</u>
<b>Note - 12</b>		
<b>Trade receivables</b>		
Trade receivables - credit impaired	3.30	3.30
	<u>3.30</u>	<u>3.30</u>
Less: Impairment for trade receivables (expected credit loss)	(3.30)	(3.30)
	<u>-</u>	<u>-</u>

**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)	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	3.30	3.30
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-
	-	-	-	-	3.30	3.30
Less: Allowance for doubtful trade receivables						3.30
						<u>-</u>

**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	-	-	-	-	-	-
(ii) Undisputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	3.30	3.30
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-
(v) Disputed trade receivables - considered doubtful (Having significant increase in risk)	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-
	-	-	-	-	3.30	3.30
Less: Allowance for doubtful trade receivables						3.30
						<u>-</u>

**Note - 13**

**Cash and cash equivalents**

Cash in hand

Balances with banks

In current accounts

	-	-
	107.80	118.70
	<u>107.80</u>	<u>118.70</u>

**Note - 14**

**Other bank balances**

Balances with banks

Bank deposits - with maturity of more than three months and upto twelve months (refer note (a)) \*

	564.20	63.90
	<u>564.20</u>	<u>63.90</u>

\*including interest accrued

**Notes:**

- a) Bank deposits of ₹ 560.00 million (excluding interest accrued) (31 March 2022: ₹ 60.00 million) have been pledged with banks against guarantees, overdraft facilities.



Indiabulls Real Estate Limited

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

	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>Note - 15</b>		
<b>Loans - current</b>		
<b>Loans receivables considered good - unsecured</b>		
Inter-corporate loans to subsidiaries (refer note 49)	33,219.10	28,865.00
Inter-corporate loans to other parties*	2,663.50	14.90
<b>Loans receivables - credit impaired</b>		
Inter-corporate loans to subsidiaries (refer note 49)	505.50	505.50
	<b>36,388.10</b>	<b>29,385.40</b>
<b>Less: Impairment for loans (expected credit loss)</b>	<b>(505.50)</b>	<b>(505.50)</b>
	<b>35,882.60</b>	<b>28,879.90</b>

\*including interest accrued

<b>Note - 16</b>		
<b>Other current assets</b>		
<b>(Unsecured, considered good, unless otherwise stated)</b>		
Advance to employees	0.00	0.20
Advance to suppliers/service providers (doubtful balance of ₹ 6.80 million (31 March 2022: ₹ 6.80 million))	7.80	7.20
Prepaid expenses	5.70	5.10
Balances with statutory authorities (doubtful balance of Nil (31 March 2022: ₹ 87.50 million))*#	133.20	235.80
Prepaid expenses (QIP related expense)	-	24.20
Others	3.50	3.30
	<b>150.20</b>	<b>275.80</b>
<b>Less: Impairment for non-financial assets</b>	<b>(6.80)</b>	<b>(94.30)</b>
<i>*includes ₹ 8.80 million (31 March 2022: ₹ 15.50 million) paid under protest to income tax authorities.</i>	<b>143.40</b>	<b>181.50</b>

#During the year the GST department had asked the company to deposit ₹ 80.00 million with regard to GST payable on Corporate guarantees given by the Company for its subsidiaries. The company has reversed this amount through the input credit ledger. However, the company is contesting the contention of the GST Department and has shown an equal amount recoverable from the GST department.

<b>Note - 17</b>		
<b>Assets classified held for sale</b>		
Investment held for sale	0.40	0.40
	<b>0.40</b>	<b>0.40</b>

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Indiabulls Real Estate Limited

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

Note - 18		31 March 2023		31 March 2022	
A Equity share capital		(₹ in million)		(₹ in million)	
i Authorised		Number	Amount	Number	Amount
Equity share capital of face value of ₹ 2 each		75,00,00,000	1,500.00	75,00,00,000	1,500.00
			<b>1,500.00</b>		<b>1,500.00</b>
ii Issued, subscribed and fully paid up					
Equity share capital of face value of ₹ 2 each fully paid up		54,10,75,331	1,082.20	45,29,90,732	906.00
			<b>1,082.20</b>		<b>906.00</b>
iii Reconciliation of number of equity shares outstanding at the beginning and at the end of the year					
Balance at the beginning of the year		45,61,15,896	912.20	45,46,63,876	909.30
Add: Issued during the year (refer note no. xi)		8,55,59,435	171.10	14,52,020	2.90
Balance at the end of the year		54,16,75,331	1,083.30	45,61,15,896	912.20
Less: Investment in Treasury Shares (Own Shares) (refer note no. viii)		6,00,000	1.10	31,25,164	6.20
Balance at the end of the year		<b>54,10,75,331</b>	<b>1,082.20</b>	<b>45,29,90,732</b>	<b>906.00</b>

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, all preferential amounts, if any, shall be discharged by 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, except that holders of preference shares participate only to the extent of the face value of the shares.

v Details of shareholder holding more than 5% share capital

Name of the equity shareholder	31 March 2023 Number of shares
Embassy Realty Ventures Private Limited (Formerly Embassy Property Development Limited)	6,30,95,240
Baillie Gifford Pacific Fund A Sub Fund of Baillie	2,97,88,258

Name of the equity shareholder	31 March 2022 Number of shares
Embassy Realty Ventures Private Limited (Formerly Embassy Property Development Limited)	6,30,95,240

vi 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 March 31, 2023		As at March 31, 2022		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Sameer Gehlaut	-	-	1,50,000	0.03%	(0.03)
<b>Total</b>	-	-	<b>1,50,000</b>	<b>0.03%</b>	<b>(0.03)</b>

Disclosure of Shareholding of Promoters

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

Promoter Name	Share Held by Promoters				
	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Sameer Gehlaut	1,50,000	0.03%	12,00,000	0.26%	(0.23)
SG InfraLands Private Limited	-	-	1,98,18,002	4.36%	(4.36)
Jyestha Infrastructure Private Limited	-	-	1,34,55,973	2.96%	(2.96)
SG Devbuild Private Limited	-	-	1,64,24,102	3.61%	(3.61)
Kritikka Infrastructure Private Limited	-	-	35,12,013	0.77%	(0.77)
Dahlia Infrastructure Private Limited	-	-	41,833	0.01%	(0.01)
Powerscreen Media Private Limited	-	-	18,459	0.00%	(0.00)
<b>Total</b>	<b>1,50,000</b>	<b>0.03%</b>	<b>5,44,70,382</b>	<b>11.98%</b>	<b>(11.95)</b>

vii Aggregate number of shares issued for consideration other than cash

No Shares have been issued for other than cash during the period of five years immediately preceding the financials year 31 March 2023.

viii During the year ended 31 March 2021, the Company, through its established trust "Indiabulls Real Estate Limited – Employees Welfare Trust" (the "Trust") had in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014 purchased its 31,25,164 Equity shares from the open market, for the implementation and administration of its employees benefit schemes. The face value of these shares have been deducted from the paid-up share capital of the Company, and the excess of amount paid over face value for their acquisition have been adjusted in the other equity. During the year ended 31 March 2023, some of the eligible employees holding Share appreciation rights ("SARs") exercised their SARs to receive the appreciation against such SARs. The employee welfare trust ("trust") which held 3,125,164 equity shares of the Company, at the beginning of the year, sold 2,525,164 equity shares, in the open market and passed on the benefit to the Company which in turn passed on the benefit to the eligible employees. The trust still holds 600,000 equity shares of the Company as at the year ended 31 March 2023.



Indiabulls Real Estate Limited

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

ix Aggregate number of shares bought back

- During the year ended 31 March 2019, 26,000,000 equity shares were bought back at an average price of ₹ 170.85 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.
- During the year ended 31 March 2018, 5,796,000 equity shares were bought back at an average price of ₹ 89.76 per share from the open market through stock exchanges using electronic trading facilities of BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') in accordance with section 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 and SEBI Regulation 1998.

x Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer note 53.

- xi During the year company has allotted 85,559,435 equity share of Face value of ₹2 per share through Qualified Institution Placement aggregating to ₹8,650.10 million.

B Preference share capital	31 March 2023		31 March 2022	
	Number	(₹ in million) Amount	Number	(₹ in million) Amount
i Authorised				
Preference share capital of face value of ₹ 10 each#	36,40,00,000	3,640.00	36,40,00,000	3,640.00
		<u>3,640.00</u>		<u>3,640.00</u>

# Since the Company has not issued preference shares, hence, other disclosures are not presented.

Note - 19

Other equity

	31 March 2023	31 March 2022
	(₹ in million)	(₹ in million)
Reserves and surplus		
General reserve	7,832.80	7,270.30
Capital reserve	2,772.10	2,772.10
Debenture redemption reserve	-	562.50
Capital redemption reserve	220.10	220.10
Share options outstanding account	36.00	24.90
Securities premium	62,154.70	53,823.80
Retained earnings	(6,691.80)	(2,725.20)
Other comprehensive income		
Fair valuation of equity instruments	(3.80)	521.90
	<u>66,320.10</u>	<u>62,470.40</u>

Nature and purpose of other reserves

General reserve

The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

Capital reserve

The Company has issued share warrants in the earlier years. This reserve is created on account of forfeiture of share application money received on account of issuance of share warrants as share warrants holders did not exercise their rights.

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which are available for redemption of debentures.

Capital redemption reserve

The same has been created in accordance with provisions of Companies Act for the buy back of equity shares from the market.

Deferred employee compensation reserve

The reserve is used to recognised the grant date fair value of the options issued to employees under Company's employee stock option plan.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with provisions of the Companies Act 2013.

Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

Fair valuation of equity instruments

The Company has elected to recognise the fair value of certain investments in equity shares in other comprehensive income. These changes are accumulated within this reserve under the head equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity instruments are derecognised.

Treasury Shares

The Company had created "Indiabulls Real Estate Limited – Employees Welfare Trust" (the "Trust") for the implementation of schemes namely employees stock options plans, employees stock purchase plan and stock appreciation rights plan. The Company treats the trust as its extension and the Company's own shares held by the trust are treated as treasury shares. The premium over face value of the acquired treasury shares are presented as a deduction from the securities premium reserve. The original cost of treasury shares and the proceeds of any subsequent sale are presented as movements in equity.



Note - 20	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>A Borrowings - non-current</b>		
<b>Secured loans</b>		
<b>Debentures*</b>		
Non-convertible debentures (redeemable) (refer note (i) below)	-	-
Current borrowing as current maturities of non-current borrowings	-	3,748.30
Less: Amount disclosed under current borrowing as current maturities of non-current borrowings (refer note 20(B))	-	(3,748.30)
	<u>-</u>	<u>-</u>

## i Repayment terms (including current maturities) and security details for non-convertible debentures:

Particulars	Security	Maturity date	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
1 190 Redeemable non-convertible debentures issued on 9 September 2016 for ₹ 190 million @ 9.85% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	8 July 2022	-	189.80
2 250 Redeemable non-convertible debentures issued on 7 September 2016 for ₹ 250 million @ 9.80% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	7 July 2022	-	249.70
3 300 Redeemable non-convertible debentures issued on 16 August 2016 for ₹ 3,00 million @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	16 June 2022	-	299.60
4 200 Redeemable non-convertible debentures issued on 18 July 2016 for ₹ 200 million @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	18 May 2022	-	199.90
5 250 Redeemable non-convertible debentures issued on 12 July 2016 for ₹ 250 million @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	12 May 2022	-	249.80
6 150 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 150 million @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	-	149.90
7 160 Redeemable non-convertible debentures issued on 8 July 2016 for ₹ 160 million @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	6 May 2022	-	159.90
8 750 Redeemable non-convertible debentures issued on 29 June 2016 for ₹ 750 million @ 10.00% of face value ₹ 1,000,000 each	Secured by mortgage on immovable properties situated at Panvel & Savroli-Khalapur held and owned by the Company and its certain subsidiary companies respectively by way of pari-passu charge	29 April 2022	-	749.70
9 750 Redeemable non-convertible debentures issued on 23 Nov 2021 for ₹ 750.00 million @ 10.50% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Dhamani held and owned by the its certain subsidiary companies by way of pari-passu charge	24 November 2022	-	750.00
10 750 Redeemable non-convertible debentures issued on 15 December 2021 for ₹ 750.00 million @ 10.50% of face value ₹ 1,000,000 each	Mortgage on immovable properties situated at Panvel held and owned by its subsidiary company by way of first and exclusive charge	16 December 2022	-	750.00

\* Non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.



Indiabulls Real Estate Limited

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

	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>B Borrowings - current</b>		
<b>Secured loans</b>		
Debentures*		
Current maturities of non-current borrowings	-	3,748.30
<b>Unsecured loans</b>		
Loans from related parties (refer note 49)#	1,443.20	1,361.70
	<u>1,443.20</u>	<u>5,110.00</u>
<b>a Repayment terms and security details for non-convertible debentures:</b>		
*Non-convertible debentures are listed on Wholesale Debt Market (WDM) segment of BSE Limited.		
#Carrying interest rate of 9.50% per annum as at 31 March 2023 (31 March 2022: 9.50% per annum) and repayable on demand.		
<b>Note - 21</b>		
<b>A Lease liabilities - non-current</b>		
Lease liabilities (refer note 37)	14.40	32.30
	<u>14.40</u>	<u>32.30</u>
<b>B Lease liabilities - current</b>		
Lease liabilities (refer note 37)	17.80	15.80
	<u>17.80</u>	<u>15.80</u>
<b>Note - 22</b>		
<b>A Provisions - non-current</b>		
Provision for employee benefits:		
Gratuity (refer note 53)	1.00	4.20
Compensated absences (refer note 52)	0.80	1.90
	<u>1.80</u>	<u>6.10</u>
<b>B Provisions - current</b>		
Provision for employee benefits:		
Gratuity (refer note 53)	0.00	0.10
Compensated absences (refer note 52)	0.00	0.00
	<u>0.00</u>	<u>0.10</u>
₹ 0.00 million means less than ₹ 0.05 million		
<b>Note - 23</b>		
<b>Other financial liabilities - current</b>		
Interest accrued on non-convertible debentures and term loans from banks	-	205.40
Retention money payable	0.40	-
Expenses payable	10.60	9.60
	<u>11.00</u>	<u>215.00</u>
<b>Note - 24</b>		
<b>Other current liabilities</b>		
Payable to statutory authorities	14.90	26.70
	<u>14.90</u>	<u>26.70</u>
<b>Note - 25</b>		
<b>Current tax liabilities (net)</b>		
Provision for income tax	8.50	-
	<u>8.50</u>	<u>-</u>





Indiabulls Real Estate Limited

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

	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>Note - 26</b>		
<b>Revenue from operations</b>		
<b>Other operating income</b>		
Profit on sale of investments in subsidiary (refer note no. 7 A (c))	27.80	0.00
	<b>27.80</b>	<b>0.00</b>
<b>Note - 27</b>		
<b>Other income</b>		
Interest income on inter-corporate loans given to others	74.40	0.60
Interest income on debentures given to related party	0.00	0.00
Interest income on bank deposits	26.70	33.30
Interest income on amortised cost financial assets	0.40	0.20
Interest Income on Income Tax Refund	114.10	59.50
Interest Income - Bonds	133.80	-
Profit on sale of investments (net)#	40.00	8.30
Income on fair valuation of financial assets	0.30	0.00
Foreign Exchange - Gain (Net)	0.00	0.00
Miscellaneous income	0.10	2.90
	<b>389.80</b>	<b>104.80</b>
<i># Profit recognised on sale of investments in mutual funds</i>		
<b>Note - 28</b>		
<b>Cost of revenue</b>		
Decrease/(increase) in real estate properties		
Opening stock	9.00	9.00
Closing stock	(9.00)	(9.00)
	<b>-</b>	<b>-</b>
<b>Note - 29</b>		
<b>Employee benefits expense</b>		
Salaries and wages	72.10	43.30
Contribution to provident fund and other funds	0.80	0.80
Staff welfare expenses	5.60	0.80
Share based payment and other expenses of similar nature	69.20	24.90
	<b>147.70</b>	<b>69.80</b>
<b>Note - 30</b>		
<b>Finance costs</b>		
Interest expense		
On borrowings- related party (refer note 49)	127.80	121.70
On borrowings- others	140.50	336.30
On income tax	0.00	0.20
Interest on lease liabilities	4.30	2.50
	<b>272.60</b>	<b>460.70</b>
<b>Note - 31</b>		
<b>Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	1.60	6.70
Depreciation on right of use asset	20.40	12.00
Amortisation of intangible assets	0.20	-
	<b>22.20</b>	<b>18.70</b>



Indiabulls Real Estate Limited

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

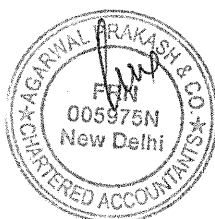
	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
<b>Note - 32</b>		
<b>Other expenses</b>		
Advertisement expenses	0.40	0.30
Auditor's remuneration		
Audit fees	6.50	6.50
Out of pocket expenses	0.20	0.20
Balances written off	17.40	48.10
Communication expenses	1.00	2.30
Director sitting fees	2.00	2.30
Insurance expenses	0.10	2.90
Legal and professional charges	23.30	21.10
Membership and subscription charges	0.00	0.30
Loss on Property, plant and equipment written off	0.10	2.40
Power and fuel expenses	0.00	0.10
Printing and stationery	0.30	1.60
Rates and taxes	6.50	11.10
Repairs and maintenance		
Vehicles	2.50	0.50
Buildings	-	0.80
Others	0.60	0.50
Brokerage and marketing expenses	1.70	0.60
Travelling and conveyance expenses	1.60	0.40
Loss on sale of investments in subsidiaries	3,849.30	-
Loss on sale of investments in bond	6.70	-
Indemnity charges	7.00	-
Provisions for bad & doubtful advances	-	2.00
Software expenses	8.20	-
Miscellaneous expenses	2.00	4.20
	<b>3,937.40</b>	<b>108.20</b>

₹ 0.00 million means less than ₹ 0.05 million

<b>Note - 33</b>		
<b>Tax expenses</b>		
Current tax- earlier years	2.00	-
Deferred tax charge	3.10	11.50
<b>Income tax expense reported in the statement of profit or loss</b>	<b>5.10</b>	<b>11.50</b>

The major components of the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 34.944% and the reported tax expense in the statement of profit or loss are as follows:

<b>Reconciliation of tax expense and the accounting profit/(loss) multiplied by India's tax rate</b>		
Accounting profit/ (loss) before tax	(3,962.30)	(552.60)
<b>Accounting profit/ (loss) before income tax</b>	<b>(3,962.30)</b>	<b>(552.60)</b>
At statutory income tax rate of 34.944% (31 March 2022: 34.944%)	(1,384.59)	(193.10)
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Tax impact of expenses which will never be allowed	83.00	8.80
Tax impact on indexation benefits under Income Tax Act, 1961	-	0.00
Tax impact of unrecognised deferred tax on unabsorbed losses	1,304.69	195.80
Tax paid in respect of earlier years	2.00	-
<b>Income tax expense</b>	<b>5.10</b>	<b>11.50</b>



Indiabulls Real Estate Limited

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

	31 March 2023 (₹ in million)	31 March 2022 (₹ in million)
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Note - 34

Earnings per share (EPS)

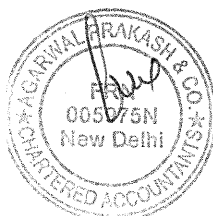
Earnings per Share ('EPS') is determined based on the net profit/(loss) attributable to the shareholders' of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number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

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

	31 March 2023	31 March 2022
Loss attributable to equity holders (₹ in million)	(3,967.40)	(564.10)
Nominal value of equity share (₹)	2.00	2.00
Total number of equity shares outstanding at the beginning of the year	45,61,15,896	45,46,63,876
Total number of equity shares outstanding at the end of the year	54,16,75,331	45,61,15,896
Weighted average number of equity shares for basic earning per share	53,90,96,827	45,51,49,209
Add: Share based options*	-	-
Weighted average number of equity shares adjusted for diluted earning per share	53,90,96,827	45,51,49,209
Earnings per equity share:		
Basic (₹)	(7.36)	(1.24)
Diluted (₹)	(7.36)	(1.24)

\*Potential equity shares are anti-dilutive in nature, hence they have not been considered for calculating weighted average number of equity shares used to compute diluted earnings per share.

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## Note - 35

## Fair value measurements

## (i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the financial statements 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: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability.

## (ii) Financial assets measured at fair value

(₹ in million)

31 March 2023	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Mutual funds	124.00	-	-	124.00
<b>Financial instruments at FVOCI</b>				
Quoted equity instruments	646.20	-	-	646.20
<b>Total financial assets</b>	<b>770.20</b>	<b>-</b>	<b>-</b>	<b>770.20</b>

## Financial assets measured at fair value

(₹ in million)

31 March 2022	Level 1	Level 2	Level 3	Total
<b>Financial instruments at FVTPL</b>				
Mutual funds	-	-	-	-
<b>Financial instruments at FVOCI</b>				
Quoted equity instruments	1,171.90	-	-	1,171.90
<b>Total financial assets</b>	<b>1,171.90</b>	<b>-</b>	<b>-</b>	<b>1,171.90</b>

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

Specific valuation techniques used to value financial instruments include -

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

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## Note - 36

## Financial risk management

## i) Financial instruments by category

(₹ in million)

Particulars	31 March 2023			31 March 2022		
	FVTPL*	FVOCI#	Amortised cost	FVTPL*	FVOCI#	Amortised cost
<b>Financial assets</b>						
Investments						
Equity instruments	-	646.20	-	-	1,171.90	-
Bonds	-	-	460.70	-	-	628.30
Mutual funds	124.00	-	-	-	-	-
Cash and cash equivalents	-	-	107.80	-	-	118.70
Other bank balances	-	-	564.20	-	-	63.90
Loans	-	-	35,882.60	-	-	28,879.90
Other financial assets	-	-	4.80	-	-	504.30
<b>Total financial assets</b>	<b>124.00</b>	<b>646.20</b>	<b>37,020.10</b>	<b>-</b>	<b>1,171.90</b>	<b>30,195.10</b>

(₹ in million)

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial liabilities</b>						
Borrowings	-	-	1,443.20	-	-	5,110.00
Lease liabilities	-	-	32.20	-	-	48.10
Other financial liabilities	-	-	11.00	-	-	215.00
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,486.40</b>	<b>-</b>	<b>-</b>	<b>5,373.10</b>

Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements'.

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

# These financial assets represents investment in equity instruments designated as such upon initial recognition.

## ii) Fair value of instruments measured at amortised cost

(₹ in million)

Particulars	Level	31 March 2023		31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Investments (bonds)	Level 3	460.70	460.70	628.30	628.30
Other financial assets	Level 3	4.30	4.30	503.80	503.80
<b>Total financial assets</b>		<b>465.00</b>	<b>465.00</b>	<b>1,132.10</b>	<b>1,132.10</b>
<b>Financial liabilities</b>					
Borrowings*	Level 3	-	-	3,748.30	3,748.30
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>3,748.30</b>	<b>3,748.30</b>

The above disclosures is presented for non-current financial assets and non-current financial liabilities. Carrying value of current financial assets and current financial liabilities (investments, trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings, lease liabilities and other current financial liabilities) represents the best estimate of fair value.

\*A part of the non-convertible redeemable debentures issued by the Company are listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures represents the best estimate of fair value.

## iii) Risk Management

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

## (A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

## a) Credit risk management

## i) Credit risk rating

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

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/Life time expected credit loss
C: High credit risk	Trade receivables and loans	Life time expected credit loss/fully provided for



**Indiabulls Real Estate Limited**
**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023**

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

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

**Assets under credit risk –**

		<b>(₹ in million)</b>	
<b>Credit rating</b>	<b>Particulars</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
A: Low credit risk	Investments, trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	37,020.10	30,193.10
C: High credit risk	Trade receivables and loans	510.80	510.80

**ii) Concentration of financial assets**

The Company's principal business activities are real estate project advisory, construction and development of real estate properties and all other related activities. The Company's outstanding receivables are for real estate project advisory business. Loans and other financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

**b) 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**

<b>(₹ in million)</b>			
<b>Particulars</b>	<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Investments	460.70	-	460.70
Trade receivables	3.30	3.30	-
Cash and cash equivalents	107.80	-	107.80
Other bank balances	564.20	-	564.20
Loans	36,388.10	505.50	35,882.60
Other financial assets	6.80	2.00	4.80

**As at 31 March 2022**

<b>(₹ in million)</b>			
<b>Particulars</b>	<b>Estimated gross carrying amount at default</b>	<b>Expected credit losses</b>	<b>Carrying amount net of impairment provision</b>
Investments	628.30	-	628.30
Trade receivables	3.30	3.30	-
Cash and cash equivalents	118.70	-	118.70
Other bank balances	63.90	-	63.90
Loans	29,385.40	505.50	28,879.90
Other financial assets	504.30	2.00	502.30

**Expected credit loss for trade receivables under simplified approach**

The Company's expect to receive money from its trade receivables with in due course of time.

**Reconciliation of loss provision**

<b>(₹ in million)</b>	
<b>Reconciliation of loss allowance</b>	<b>Trade receivables</b>
<b>Loss allowance on 31 March 2021</b>	<b>3.30</b>
Impairment loss recognised during the year	-
<b>Loss allowance on 31 March 2022</b>	<b>3.30</b>
Impairment loss recognised during the year	-
<b>Loss allowance on 31 March 2023</b>	<b>3.30</b>

**(B) Liquidity risk**

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

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

**Maturities of financial liabilities**

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

<b>(₹ in million)</b>					
<b>31 March 2023</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
<b>Non-derivatives</b>					
Borrowings	1,443.20	-	-	-	1,443.20
Lease liabilities	18.30	9.80	1.50	2.60	32.20
Other financial liabilities	11.00	-	-	-	11.00
<b>Total</b>	<b>1,472.50</b>	<b>9.80</b>	<b>1.50</b>	<b>2.60</b>	<b>1,486.40</b>



31 March 2022	(₹ in million)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Non-derivatives</b>					
Borrowings	5,110.00	-	-	-	5,110.00
Lease liabilities	15.80	18.00	9.80	4.50	48.10
Other financial liabilities	215.00	-	-	-	215.00
<b>Total</b>	<b>5,340.80</b>	<b>18.00</b>	<b>9.80</b>	<b>4.50</b>	<b>5,373.10</b>

**(C) Market risk****(i) Interest rate risk**

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	(₹ in million)	
	31 March 2023	31 March 2022
Fixed rate borrowing	1,443.20	5,110.00
<b>Total borrowings</b>	<b>1,443.20</b>	<b>5,110.00</b>

**(ii) Price risk**

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

*Sensitivity*

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the periods -

Particulars	(₹ in million)	
	31 March 2023	31 March 2022
<b>Price sensitivity</b>		
Price increase by (10%) - FVOCI instrument	64.62	117.20
Price decrease by (10%) - FVOCI instrument	(64.62)	(117.20)

**(iii) Foreign exchange risk**

The Company does not have any exposed to foreign exchange risk arising from derivative contracts.

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## Note – 37

## Lease related disclosures as per Ind AS 116

The Company has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company has presented its right-of-use assets in the balance sheet separately from other assets.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

## A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(₹ in million)		
Particulars	31 March 2023	31 March 2022
Short-term leases	-	-

## B Total cash outflow for leases for the year ended 31 March 2023 was ₹23.30 million (31 March 2022: ₹14.40 million)

## C Total expense recognised during the year

(₹ in million)		
Particulars	31 March 2023	31 March 2022
Interest on lease liabilities	4.30	2.50
Amortization on right of use asset	20.40	12.00

## D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(₹ in million)					
31 March 2023	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	20.60	10.60	1.90	2.80	35.90
Interest expense	2.30	0.80	0.40	0.20	3.70
Net present values	18.30	9.80	1.50	2.60	32.20

31 March 2022	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	20.10	20.60	10.60	5.20	56.50
Interest expense	4.30	2.60	0.80	0.70	8.40
Net present values	15.80	18.00	9.80	4.50	48.10

## E Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	31 March 2023
						Number of leases with termination option
Office premises	3	0.7-4.7	2.22	1	-	3

## Information about extension and termination options

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	31 March 2022
						Number of leases with termination option
Office premises	3	1.7-5.7	3.23	1	-	3

## F Bifurcation of lease liabilities at the end of the year in current and non-current

(₹ in million)		
Particulars	31 March 2023	31 March 2022
a) Current liability (amount due within one year)	17.80	15.80
b) Non-current liability (amount due over one year)	14.40	32.30
Total lease liabilities at the end of the year	32.20	48.10





Indiabulls Real Estate Limited

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

**Note - 38**

**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 - 39**

**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 - 40**

**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 - 41**

**Ratio Analysis**

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

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variances (%)
Current Ratio(in times)\$\$\$	Current Assets	Current Liabilities	24.63	5.45	(351.93)
Debt Service Coverage Ratio*(in times)	Earnings available for debt services	Debt Service	(1.47)	(0.06)	(2,350.00)
Debt Equity Ratio** (in times)	Total Debts	Shareholder's Equity	0.02	0.08	75.00
Return on Equity (ROE)***(%)	Net Profit After Taxes	Average Share holder's Equity	(0.06)	(0.01)	(500.00)
Inventory turnover ratio# (in times)	Cost of land, plot, development rights, constructed properties and others	Average inventories	NA	NA	-
Total Receivable turnover ratio## (in times)	Revenue from Operation	Average Trade Receivable	NA	NA	-
Total Payable turnover ratio### (in times)	Purchase of services and other expenses	Average Trade Payable	NA	NA	-
Net Capital Turnover Ratio#### (in times)	Revenue from Operation	Working Capital	NA	NA	-
Net profit ratio#### (in %)	Net profit	Revenue from Operation	NA	NA	-
Return of Capital Employed \$ (in %)	Earning before interest taxes	Capital Employed	(0.05)	(0.13)	61.54
Return on investment\$\$ (in %)	Income generated from Investment	Time Weighted Average investment	NA	NA	-

\* Variation is due to decline in EBIT.

\*\* Variation is due to lower level of borrowings and increase in equity

\*\*\* Variation is due to increase net losses after tax

# Not computed as company does not have any cost of land, plot, development rights, constructed properties and others, during the reported periods

## Ratio can not be calculated due to no trade receivables during the reported periods.

### Ratio can not be calculated due to no trade payable during the reported periods.

#### Ratio can not be calculated due to not any revenue from operation income during the previous year 2021-22 .

\$ Variation is due to increase in capital employed

\$\$ The company is not investment company

\$\$\$ Variation is due to lower level of borrowings

**Note - 42**

**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 - 43**

**Details in respect of Utilization of Borrowed funds and share premium shall be provided in respect of:**

During the year ended 31 March 2023 and 31 March 2022 no funds 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(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

During the year ended 31 March 2023 and 31 March 2022 the Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



# Indiabulls Real Estate Limited

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

## Note - 44

### Relationship with Struck off Companies:

Name of Struck off Companies	Nature of transactions	Transaction during the current year ended 31 March 2023*	Balance Outstanding as at 31 March 2023	Relationship with Struck off Companies
Selene Builders and Developers Limited	Investment in Equity Share	-	-	Subsidiary Company

Name of Struck off Companies	Nature of transactions	Transaction during the previous year ended 31 March 2022*	Balance Outstanding as at 31 March 2022	Relationship with Struck off Companies
Albasta Constructions Limited	Investment in Equity Share	-	-	Subsidiary Company
Angina Properties Limited	Investment in Equity Share	-	-	Subsidiary Company
Cobitis Buildwell Limited	Investment in Equity Share	-	-	Subsidiary Company
Hecate Power And Land Development Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Commercial Assets Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Communication Infrastructure Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Hotel Properties Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Housing And Constructions Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Infratech Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Natural Resources Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Real Estate Builders Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Real Estate Developers Limited	Investment in Equity Share	-	-	Subsidiary Company
Indiabulls Software Parks Limited	Investment in Equity Share	-	-	Subsidiary Company
Lakisha Infrastructure Limited	Investment in Equity Share	-	-	Subsidiary Company
Loon Infrastructure Limited	Investment in Equity Share	-	-	Subsidiary Company
Lucina Constructions Limited	Investment in Equity Share	-	-	Subsidiary Company
Manjola Real Estate Limited	Investment in Equity Share	-	-	Subsidiary Company
Nilgiri Resources Limited	Investment in Equity Share	-	-	Subsidiary Company
Parmida Constructions Limited	Investment in Equity Share	-	-	Subsidiary Company
Parmida Developers Limited	Investment in Equity Share	-	-	Subsidiary Company
Tapir Land Development Limited	Investment in Equity Share	-	-	Subsidiary Company
Triton Estate Limited	Investment in Equity Share	-	-	Subsidiary Company

\* Investment amount in subsidiaries companies written off.

## Note - 45

### 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 - 46

### 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.

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# Indiabulls Real Estate Limited

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

## Note – 47

### Capital management

The Company's objectives when managing capital are:

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

Management assesses the capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Company manages its capital requirements by overseeing the following

Debt equity ratio	(₹ in million)	
	31 March 2023	31 March 2022
Net debt *	647.20	4,427.40
Total equity	67,402.30	63,376.40
Net debt to equity ratio	0.01	0.07

\* Net debt includes non-current borrowings *plus* current borrowings *plus* current maturities of non-current borrowings *less* cash and cash equivalents (including bank deposits and other liquid securities).

Debt service coverage ratio	(₹ in million)	
	31 March 2023	31 March 2022
Earnings before interest and tax	(3,693.90)	(94.60)
Interest expense for the year + Principal repayments of non-current borrowings during the year	2,518.30	1,658.00
Debt service coverage ratio	(1.47)	(0.06)

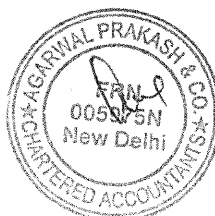
The Company does not have any undrawn borrowing facilities.

## Note – 48

### Information about subsidiaries

The information about subsidiaries of the Company is as follows. The below table includes the information about step down subsidiaries .

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2023	Proportion of ownership interest as at 31 March 2022
Aedos Real Estate Company Limited	India	100.00%	100.00%
Aimid Developers Limited (refer note no. 7 A (c))	India	-	100.00%
Aimid Properties Limited	India	100.00%	100.00%
Aimid Real Estate Limited	India	100.00%	100.00%
Albasta Developers Limited	India	100.00%	100.00%
Albasta Infrastructure Limited	India	100.00%	100.00%
Albasta Properties Limited	India	100.00%	100.00%
Albasta Real Estate Limited	India	100.00%	100.00%
Albina Properties Limited (refer note no. 7 A (c))	India	-	100.00%
Albina Real Estate Limited	India	100.00%	100.00%
Amadis Land Development Limited	India	100.00%	100.00%
Angles Constructions Limited	India	100.00%	100.00%
Apesh Constructions Limited	India	100.00%	100.00%
Apesh Properties Limited	India	100.00%	100.00%
Apesh Real Estate Limited	India	100.00%	100.00%
Ashkit Constructions Limited	India	100.00%	100.00%
Athena Builders and Developers Limited	India	100.00%	100.00%
Athena Buildwell Limited	India	100.00%	100.00%
Athena Infrastructure Limited	India	100.00%	100.00%
Athena Land Development Limited	India	100.00%	100.00%
Aurora Builders and Developers Limited	India	100.00%	100.00%
Bridget Builders and Developers Limited	India	100.00%	100.00%
Catherine Builders and Developers Limited	India	100.00%	100.00%
Ceres Constructions Limited	India	100.00%	100.00%
Ceres Estate Limited	India	100.00%	100.00%
Ceres Infrastructure Limited	India	100.00%	100.00%
Ceres Land Development Limited	India	100.00%	100.00%
Ceres Properties Limited	India	100.00%	100.00%
Chloris Real Estate Limited	India	100.00%	100.00%
Citra Developers Limited	India	100.00%	100.00%
Citra Properties Limited	India	100.00%	100.00%
Cobitis Real Estate Limited	India	100.00%	100.00%
Corus Real Estate Limited	India	100.00%	100.00%
Devona Developers Limited	India	100.00%	100.00%
Devona Infrastructure Limited	India	100.00%	100.00%



Indiabulls Real Estate Limited

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

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2023	Proportion of ownership interest as at 31 March 2022
Devona Properties Limited	India	100.00%	100.00%
Diana Infrastructure Limited	India	100.00%	100.00%
Diana Land Development Limited	India	100.00%	100.00%
Edesia Constructions Limited	India	100.00%	100.00%
Edesia Developers Limited	India	100.00%	100.00%
Edesia Infrastructure Limited	India	100.00%	100.00%
Elena Constructions Limited	India	100.00%	100.00%
Elena Properties Limited	India	100.00%	100.00%
Fama Builders and Developers Limited	India	100.00%	100.00%
Fama Construction Limited	India	100.00%	100.00%
Fama Estate Limited	India	100.00%	100.00%
Fama Infrastructure Limited	India	100.00%	100.00%
Fama Land Development Limited	India	100.00%	100.00%
Fama Properties Limited	India	100.00%	100.00%
Flora Land Development Limited (refer note no. 7 A (c))	India	-	100.00%
Fornax Constructions Limited	India	100.00%	100.00%
Fornax Real Estate Limited	India	100.00%	100.00%
Galium Builders And Developers Limited	India	100.00%	100.00%
Hermes Builders and Developers Limited	India	100.00%	100.00%
Hermes Properties Limited	India	100.00%	100.00%
IB Assets Limited	India	100.00%	100.00%
IB Holdings Limited	India	100.00%	100.00%
Indiabulls Buildcon Limited	India	100.00%	100.00%
Indiabulls Commercial Estate Limited	India	100.00%	100.00%
Indiabulls Commercial Properties Limited	India	100.00%	100.00%
Indiabulls Constructions Limited	India	100.00%	100.00%
Indiabulls Engineering Limited	India	100.00%	100.00%
Indiabulls Estate Limited	India	100.00%	100.00%
Indiabulls Housing and Land Development Limited	India	100.00%	100.00%
Indiabulls Housing Developers Limited	India	100.00%	100.00%
Indiabulls Industrial Infrastructure Limited	India	89.01%	89.01%
Indiabulls Infraestate Limited	India	100.00%	100.00%
Indiabulls Infrastructure Projects Limited	India	100.00%	100.00%
Indiabulls Land Holdings Limited	India	100.00%	100.00%
Indiabulls Lands Limited	India	100.00%	100.00%
Indiabulls Multiplex Services Limited	India	100.00%	100.00%
Indiabulls Projects Limited	India	100.00%	100.00%
Indiabulls Real Estate Limited - Employees Welfare Trust (w.e.f. 19 February 2020)	India	100.00%	0.00%
Indiabulls Realty Company Limited	India	100.00%	100.00%
Ivonne Infrastructure Limited	India	100.00%	100.00%
Juventus Constructions Limited	India	100.00%	100.00%
Juventus Estate Limited (till date 22.12.2022) (refer note no. 7 A (b))	India	-	100.00%
Juventus Infrastructure Limited	India	100.00%	100.00%
Juventus Land Development Limited	India	100.00%	100.00%
Juventus Properties Limited	India	100.00%	100.00%
Kailash Buildwell Limited	India	100.00%	100.00%
Kaltha Developers Limited	India	100.00%	100.00%
Karakoram Buildwell Limited	India	100.00%	100.00%
Karakoram Properties Limited	India	100.00%	100.00%
Kenneth Builders and Developers Limited	India	100.00%	100.00%
Lavone Builders And Developers Limited	India	100.00%	100.00%
Lenus Constructions Limited	India	100.00%	100.00%
Lenus Infrastructure Limited	India	100.00%	100.00%
Lenus Properties Limited	India	100.00%	100.00%
Linnet Constructions Limited	India	100.00%	100.00%
Linnet Developers Limited	India	100.00%	100.00%
Linnet Infrastructure Limited	India	100.00%	100.00%
Linnet Properties Limited	India	100.00%	100.00%
Linnet Real Estate Limited	India	100.00%	100.00%
Lorena Builders Limited	India	100.00%	100.00%
Lorena Constructions Limited	India	100.00%	100.00%
Lorena Developers Limited	India	100.00%	100.00%
Lorena Infrastructure Limited	India	100.00%	100.00%
Lorena Real Estate Limited	India	100.00%	100.00%
Lorita Developers Limited	India	100.00%	100.00%
Lucina Builders and Developers Limited	India	100.00%	100.00%
Lucina Buildwell Limited	India	100.00%	100.00%



Indiabulls Real Estate Limited

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

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2023	Proportion of ownership interest as at 31 March 2022
Lucina Estate Limited	India	100.00%	100.00%
Lucina Land Development Limited	India	100.00%	100.00%
Lucina Properties Limited	India	100.00%	100.00%
Mabon Constructions Limited	India	100.00%	100.00%
Mabon Infrastructure Limited	India	100.00%	100.00%
Mabon Properties Limited(refer note no. 7 A (b))	India	-	100.00%
Majesta Builders Limited	India	100.00%	100.00%
Majesta Constructions Limited	India	100.00%	100.00%
Majesta Developers Limited	India	100.00%	100.00%
Majesta Infrastructure Limited	India	100.00%	100.00%
Majesta Properties Limited	India	100.00%	100.00%
Makala Infrastructure Limited	India	100.00%	100.00%
Manjola Infrastructure Limited	India	100.00%	100.00%
Manjola Real Estate Limited*	India	-	0.00%
Mariana Constructions Limited	India	100.00%	100.00%
Mariana Developers Limited (refer note no. 7 A (c))	India	-	100.00%
Mariana Properties Limited	India	100.00%	100.00%
Mariana Real Estate Limited	India	100.00%	100.00%
Milkyway Buildcon Limited	India	100.00%	100.00%
Nerissa Constructions Limited	India	100.00%	100.00%
Nerissa Developers Limited	India	100.00%	100.00%
Nerissa Infrastructure Limited	India	100.00%	100.00%
Nerissa Properties Limited	India	100.00%	100.00%
Nerissa Real Estate Limited	India	100.00%	100.00%
Nilgiri Buildwell Limited	India	100.00%	100.00%
Nilgiri Infraestate Limited	India	100.00%	100.00%
Nilgiri Infrastructure Development Limited	India	100.00%	100.00%
Nilgiri Infrastructure Limited	India	100.00%	100.00%
Nilgiri Infrastructure Projects Limited	India	100.00%	100.00%
Nilgiri Land Development Limited	India	100.00%	100.00%
Nilgiri Land Holdings Limited	India	100.00%	100.00%
Nilgiri Lands Limited	India	100.00%	100.00%
Noble Realtors Limited	India	100.00%	100.00%
Paidia Infrastructure Limited	India	100.00%	100.00%
Parmida Properties Limited	India	100.00%	100.00%
Platane Infrastructure Limited	India	100.00%	100.00%
Selene Builders and Developers Limited#	India	-	100.00%
Selene Buildwell Limited	India	100.00%	100.00%
Selene Constructions Limited	India	100.00%	100.00%
Selene Infrastructure Limited	India	100.00%	100.00%
Selene Land Development Limited	India	100.00%	100.00%
Selene Properties Limited	India	100.00%	100.00%
Sentia Constructions Limited	India	100.00%	100.00%
Sentia Developers Limited	India	100.00%	100.00%
Sentia Infrastructure Limited	India	100.00%	100.00%
Sentia Real Estate Limited	India	100.00%	100.00%
Sepset Developers Limited	India	100.00%	100.00%
Sepset Real Estate Limited	India	100.00%	100.00%
Serida Infrastructure Limited	India	100.00%	100.00%
Serida Properties Limited	India	100.00%	100.00%
Serpentes Constructions Limited	India	100.00%	100.00%
Shivalik Properties Limited	India	100.00%	100.00%
Sophia Constructions Limited	India	100.00%	100.00%
Sophia Real Estate Limited	India	100.00%	100.00%
Sylvanus Properties Limited	India	100.00%	100.00%
Tapir Constructions Limited	India	100.00%	100.00%
Tefia Land Development Limited	India	100.00%	100.00%
Triton Buildwell Limited	India	100.00%	100.00%
Triton Infrastructure Limited	India	100.00%	100.00%
Triton Properties Limited	India	100.00%	100.00%
Varali Constructions Limited	India	100.00%	100.00%
Varali Developers Limited	India	100.00%	100.00%
Varali Infrastructure Limited	India	100.00%	100.00%
Varali Properties Limited	India	100.00%	100.00%
Varali Real Estate Limited	India	100.00%	100.00%
Vindhyachal Buildwell Limited	India	100.00%	100.00%
Vindhyachal Developers Limited	India	100.00%	100.00%



Indiabulls Real Estate Limited

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

Name of subsidiary	Country of incorporation	Proportion of ownership interest as at 31 March 2023	Proportion of ownership interest as at 31 March 2022
Vindhyachal Infrastructure Limited	India	100.00%	100.00%
Vindhyachal Land Development Limited	India	100.00%	100.00%
Vonnie Real Estate Limited	India	100.00%	100.00%
Zeus Builders And Developers Limited	India	100.00%	100.00%
Zeus Buildwell Limited	India	100.00%	100.00%
Zeus Estate Limited	India	100.00%	100.00%
Zeus Properties Limited	India	100.00%	100.00%
Ariston Investments Limited	Mauritius	100.00%	100.00%
Ariston Investments Sub C Limited (till date 18 August, 2022)	Mauritius	-	100.00%
Brenformexa Limited	Cyprus	100.00%	100.00%
Dev Property Development Limited	Isle of Man	100.00%	100.00%
Grand Limited	Jersey	100.00%	100.00%
Gubans Property Management Trustee Pte. Limited (till date 3 January 2023)	Singapore	-	100.00%
M Holdco 1 Limited	Mauritius	100.00%	100.00%
M Holdco 2 Limited	Mauritius	100.00%	100.00%
M Holdco 3 Limited	Mauritius	100.00%	100.00%
Navilith Holdings Limited	Cyprus	100.00%	100.00%
Shoxell Holdings Limited (till date 17 May 2022)	Cyprus	-	-

# These companies voluntarily struck-off during the financial year ended 31 March 2023.

Note - 49

Related party transactions

*Subsidiaries*

Details in reference to subsidiaries are presented in Note 48.

*Key management personnel*

Mr. Sachin Shah (Executive Director) (w.e.f. 27.02.2023)

Mr. Gurbans Singh (Joint Managing Director till Date 12.08.2022)

Mr. Mehul Johnson (Managing Director till date 27.02.2023)

The transaction with key management personnel are listed below:

(₹ in million)		
Nature of transactions	31 March 2023	31 March 2022
Share Appreciation Right Benefits		
Mr. Gurbans Singh	15.00	-
Mr. Mehul Johnson	40.10	-

(i) Statement of transactions with related parties

(₹ in million)		
Particulars	31 March 2023	31 March 2022
	Subsidiary Companies	Subsidiary Companies
Buyback of equity shares	-	0.10
Inter-corporate loans and advances given*	40,527.90	33,062.20
Inter-corporate loans and advances taken*	1,443.30	1,361.70
Interest expenses	127.80	121.70
Corporate guarantees given/(settled)	(7,130.10)	2,937.00

\*Maximum balance outstanding at any time during the year.

(ii) Statement of balances outstanding:

(₹ in million)		
Particulars	31 March 2023	31 March 2022
	Subsidiary Companies	Subsidiary Companies
Inter-corporate loans given (including impairment of ₹ 505.50 million (31 March 2022: ₹ 505.50 million))	33,724.60	29,370.50
Inter-corporate loans and advances taken	1,443.30	1,361.70
Non-current investment*	30,782.00	37,197.90
Corporate guarantee	2,656.00	9,786.10

\*For details refer note 7.

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



Indiabulls Real Estate Limited

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

Information related to material related party transactions:

(₹ in million)

Particulars	31 March 2023	31 March 2022
	Subsidiary Companies	Subsidiary Companies
<b>Buyback of equity shares</b>		
Shoxell Holding Limited	-	0.10
<b>Interest expenses</b>		
Indiabulls Industrial Infrastructure Limited	127.80	121.70
<b>Corporate guarantees (settled)/given</b>		
Airmid Developers Limited (refer note no. 7 A (c))	-	(31.50)
Citra Properties Limited	(1,500.00)	-
Tapir Constructions Limited	1,000.00	(2,560.00)
Indiabulls Infraestate Limited	(1,195.00)	1,195.00
Indiabulls Estate Limited	-	(32.70)
Juventus Estate Limited (till date 22.12.2022) (refer note no. 7 A (b))	(230.60)	-
Lucina Land Development Limited	(1,584.00)	1,391.90
Makala Infrastructure Limited	-	(2.80)
Sylvanus Properties Limited	(3,620.00)	3,620.00
Sentia Infrastructure Limited	-	(600.00)
Sophia Real Estate Limited	(0.50)	-
Athena Infrastructure Limited	-	(40.50)
Selene Constructions Limited	-	(2.40)

Information related to material related parties maximum balance outstanding and closing balances:

Particulars	31 March 2023		31 March 2022	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
<b>Inter-corporate loans and advances given</b>				
Airmid Properties Limited	67.10	67.30	67.10	67.10
Albasta Infrastructure Limited	0.80	0.80	0.80	0.80
Albasta Properties Limited	210.40	210.40	210.40	210.40
Amadis Land Development Limited	39.70	39.70	39.70	39.70
Athena Infrastructure Limited	1,852.00	1,237.60	1,816.50	1,687.30
Particulars	31 March 2023		31 March 2022	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Ceres Constructions Limited	35.90	35.90	35.90	35.90
Ceres Infrastructure Limited	35.30	35.30	35.30	35.30
Ceres Land Development Limited	48.20	48.20	48.20	48.20
Ceres Properties Limited	43.20	0.20	43.20	43.20
Chloris Real Estate Limited	187.00	-	142.70	142.70
Citra Properties Limited	2,372.90	2,242.50	629.90	629.90
Citra Developers Limited	0.10	0.10	0.10	0.10
Conus Real Estate Limited	64.40	21.30	64.40	64.40
Devona Developers Limited	13.60	-	112.80	4.40
Diana Infrastructure Limited	74.00	63.20	63.00	63.00
Fama Construction Limited	86.20	78.60	86.10	86.10
Fama Estate Limited	137.50	136.50	137.40	137.40
Fama Land Development Limited	55.80	55.80	55.80	55.80
Fomax Constructions Limited	71.70	71.70	71.60	71.60
Indiabulls Constructions Limited	16,177.20	13,446.60	13,873.20	11,411.10
Indiabulls Infraestate Limited	-	-	162.60	-
Juventus Estate Limited (till date 22.12.2022) (refer note no. 7 A (b))	1,580.50	-	1,494.80	1,494.80
Juventus Land Development Limited	32.60	32.60	32.60	32.60
Karakoram Buildwell Limited	60.30	60.30	60.30	60.30
Linnet Properties Limited	50.10	49.10	137.30	50.10
Linnet Real Estate Limited	36.30	36.30	94.60	36.30
Lucina Buildwell Limited	173.20	173.20	173.00	173.00
Lucina Estate Limited	59.60	59.60	59.60	59.60
Makala Infrastructure Limited	822.10	822.10	856.40	821.50



Indiabulls Real Estate Limited

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

Particulars	31 March 2023		31 March 2022	
	Subsidiary Companies		Subsidiary Companies	
	Maximum balance outstanding	Closing Balance	Maximum balance outstanding	Closing Balance
Nerissa Infrastructure Limited	1,116.50	1,116.50	1,116.20	1,116.20
Nilgiri Infrastructure Projects Limited	313.90	313.90	313.90	313.90
Parmida Properties Limited	157.60	157.60	157.60	157.60
Sentia Infrastructure Limited	224.40	218.60	222.50	222.50
Sophia Constructions Limited	4.30	4.10	1.60	0.10
Sophia Real Estate Limited	0.10	0.10	-	-
Sylvanus Properties Limited	9,436.10	9,434.00	5,933.20	5,410.90
Tapir Constructions Limited	3,583.70	2,452.50	3,698.70	3,574.70
Triton Buildwell Limited	78.60	42.70	78.60	78.60
Triton Infrastructure Limited	55.30	55.30	55.30	55.30
Varali Developers Limited	117.40	117.40	117.40	117.40
Vindhyachal Buildwell Limited	295.80	279.50	295.50	295.50
Vindhyachal Infrastructure Limited	102.90	102.90	102.40	102.40
Zeus Properties Limited	96.10	81.40	96.10	96.10
Varali Properties Limited	53.60	21.80	40.00	40.00
Selene Constructions Limited	321.90	301.40	74.00	74.00
Sepset Real Estate Limited	182.00	-	152.50	152.50
<b>Inter-corporate loans and advances taken</b>				
Indiabulls Industrial Infrastructure Limited	1,443.30	1,443.30	1,361.70	1,361.70

Information related to material related party balance outstanding:

(₹ in million)

Particulars	31 March 2023 Subsidiary Companies	31 March 2022 Subsidiary Companies
<b>Corporate guarantee</b>		
Citra Properties Limited	-	1,500.00
Tapir Constructions Limited	1,000.00	-
Indiabulls Infraestate Limited	-	1,195.00
Juventus Estate Limited	-	230.60
Lucina Land Development Limited	1,656.00	3,240.00
Sophia Real Estate Limited	-	0.50
Sylvanus Properties Limited	-	3,620.00

Note 7 also suffice the requirements of schedule V (for investments) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to investments.

Note – 50

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

Particular	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 (₹ in million)	Amount of Loan or advance in the nature of loan outstanding (₹ in million)	Percentage to the total Loans and advances in natures of loans(%)	Percentage to the total Loans and advances in natures of loans(%)
Related parties(Subsidiaries) (refer note no 49 for details)*	33,724.60	29,370.50	92.68	99.95

\*These loans are granted to related parties which are repayable on demand.

Note – 51

Contingent liabilities and commitments

A. Summary of contingent liabilities

(₹ in million)

Particulars	31 March 2023	31 March 2022
<b>Contingent liabilities</b>		
i) Corporate guarantees issued by the Company on behalf of subsidiary companies (refer note 49)	2,656.00	9,786.10
ii) Income tax demand (pending in appeals)*	94.00	145.00
iii) Service tax demand	274.30	272.10

\* Out of this, ₹ 4.40 million (31 March 2022: ₹ 60.20 million) pertains to Mariana Infrastructure Limited (erstwhile wholly owned subsidiary) which has been sold during the financial year 2019-20 and as per definitive agreement, any tax demands relating to periods prior to the date of definitive agreement shall be borne by the Company.

Legal Case :

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's Management reasonably expects that these legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Company's results of operations or financial condition.

B. Commitments

The Company has undertaken to provide Continued financials supports to certain subsidiaries as and when required.





Indiabulls Real Estate Limited

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

Note – 52

Employee benefits

Defined contribution plan

The Company has made ₹ 0.50 million (31 March 2022 - ₹ 0.10 million) 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 liability.
Mortality risk	Actual death and 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 liability.

#### Compensated absences

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of ₹ 0.00 million (31 March 2022 - ₹ 0.00 million) 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. The weighted average duration of the defined benefit obligation is 15.29 years (31 March 2022: 14.02 years).

#### Actuarial (gain)/loss on obligation:

(₹ in million)

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in financial assumptions	(0.20)	(0.20)
Actuarial (gain) on arising from change in experience adjustment	(0.30)	(0.30)

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

(₹ in million)

Particulars	31 March 2023	31 March 2022
Service cost	0.40	0.50
Net interest cost	0.10	0.10
Actuarial loss/(gain) for the year	0.40	(0.40)
Expense recognized in the statement of profit and loss	0.90	0.20

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

(₹ in million)

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	1.90	1.70
Current service cost	0.40	0.50
Interest cost	0.10	0.10
Actuarial loss/(gain) on obligation	0.40	(0.40)
Benefits paid	(2.00)	-
Present value of defined benefit obligation at the end of the year	0.80	1.90

#### Bifurcation of projected benefit obligation at the end of the year in current and non-current

(₹ in million)

Particulars	31 March 2023	31 March 2022
a) Current liability (amount due within one year)	0.00	0.00
b) Non-current liability (amount due over one year)	0.80	1.90
Total projected benefit obligation at the end of the year	0.80	1.90

#### 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	100% Indian Assured Lives Mortality (2012 - 14)	100% Indian Assured Lives Mortality (2012 - 14)



Indiabulls Real Estate Limited

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

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**

(₹ in million)

	Year	31 March 2023	Year	31 March 2022
a)	April 2023 – March 2024	0.00	April 2022 – March 2023	0.00
b)	April 2024 – March 2025	0.00	April 2023 – March 2024	0.00
c)	April 2025 – March 2026	0.00	April 2024 – March 2025	0.00
d)	April 2026 – March 2027	0.00	April 2025 – March 2026	0.00
e)	April 2027 – March 2028	0.00	April 2026 – March 2027	0.00
f)	April 2028 – March 2029	0.00	April 2027 – March 2028	0.00
g)	April 2029 onwards	0.70	April 2028 onwards	1.70

**Sensitivity analysis for compensated absences liability**

(₹ in million)

Particulars	31 March 2023	31 March 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	0.80	1.90
a) Impact due to increase of 0.50 %	0.00	(0.10)
b) Impact due to decrease of 0.50 %	0.00	0.10
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	0.80	1.90
a) Impact due to increase of 0.50 %	0.00	0.10
b) Impact due to decrease of 0.50 %	0.00	(0.10)

Sensitivities due to mortality and withdrawal are not material and 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. The weighted average duration of the defined benefit obligation is 15.29 years (31 March 2022: 14.02 years)

**Actuarial (gain)/loss on obligation:**

(₹ in million)

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	(0.00)	(0.30)
Actuarial (gain) on arising from change in experience adjustment	(1.30)	1.00
<b>Actuarial gain recognized in the other comprehensive income</b>	<b>(1.30)</b>	<b>0.70</b>

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

(₹ in million)

Particulars	31 March 2023	31 March 2022
Service cost	0.40	0.70
Net interest cost	0.30	0.20
<b>Expense recognized in the statement of profit and loss</b>	<b>0.70</b>	<b>0.90</b>

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

(₹ in million)

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	4.30	2.70
Current service cost	0.40	0.70
Interest cost	0.30	0.20
Actuarial gain on obligation	(1.30)	0.70
Benefit paid	(2.70)	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>1.00</b>	<b>4.30</b>

**Bifurcation of projected benefit obligation at the end of the year in current and non-current**

(₹ in million)

Particulars	31 March 2023	31 March 2022
a) Current liability (amount due within one year)	0.00	0.10
b) Non-current liability (amount due over one year)	1.00	4.20
<b>Total projected benefit obligation at the end of the year</b>	<b>1.00</b>	<b>4.30</b>



Indiabulls Real Estate Limited

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

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%	8.18%
Salary escalation rate	5.00%	5.00%
Mortality table	100% Indian Assured Lives Mortality (2012 - 14)	100% 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

(₹ in million)

	Year	31 March 2023	Year	31 March 2022
a)	April 2023 – March 2024	0.00	April 2022 – March 2023	0.10
b)	April 2024 – March 2025	0.00	April 2023 – March 2024	0.10
c)	April 2025 – March 2026	0.00	April 2024 – March 2025	0.10
d)	April 2026 – March 2027	0.00	April 2025 – March 2026	0.10
e)	April 2027 – March 2028	0.00	April 2026 – March 2027	0.10
f)	April 2028 – March 2029	0.00	April 2027 – March 2028	0.10
g)	April 2029 onwards	1.00	April 2028 onwards	3.90

#### Sensitivity analysis for gratuity liability

(₹ in million)

Particulars	31 March 2023	31 March 2022
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year	1.00	4.30
a) Impact due to increase of 0.50 %	(0.10)	(0.20)
b) Impact due to decrease of 0.50 %	0.10	0.20
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year	1.00	4.30
a) Impact due to increase of 0.50 %	0.10	0.20
b) Impact due to decrease of 0.50 %	(0.10)	(0.20)

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

₹ 0.00 million means less than ₹ 0.05 million

#### Note – 53

##### Share based payments

##### Indiabulls Real Estate Limited Employees Stock Options Scheme 2008 (II)

During the year ended 31 March 2009, the Company established the Indiabulls Real Estate Limited Employees Stock Options Scheme - 2008 (II) ("IBREL ESOS-II" or "Plan-II"). Under Plan II, the Company issued equity settled options to its eligible employees and of its subsidiary companies to subscribe upto 2,000,000 stock options representing an equal number of equity shares of face value of ₹ 2 each in the Company, at an exercise price of ₹ 110.50 per option, being the closing market price on the National Stock Exchange of India Limited, as at 29 January 2009. The stock options so granted, shall vest in the eligible employees within 10 years beginning from 31 January 2010, the first vesting date. The stock options granted under each of the slabs, are exercisable by the option holders within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan

Particulars	31 March 2023	31 March 2022
Opening balance	-	78,000
Granted during the year	-	-
Exercised during the year	-	60,000
Forfeited during the year	-	18,000
<b>Closing balance</b>	-	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2023: Nil (31 March 2022: ₹149.95)

The fair value of the option under Plan II using the black scholes model, based on the following parameters is ₹ 62.79 per option, as certified by an independent valuer.



Indiabulls Real Estate Limited

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

Particulars	Plan – II
Fair market value of option on the date of grant	₹ 62.79
Exercise price	₹ 110.50
Expected volatility	86%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	10.5 Years
Expected dividend yield	3.92%
Risk free interest rate	6.50%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

**Indiabulls Real Estate Limited Employees Stock Options Plan 2010 (III)**

During the year ended 31 March 2011, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 30,000,000 in number, representing 30,000,000 equity shares of face value of ₹2 each of the Company, accordingly the Employee Stock Option Plan - 2010 ("IBREL ESOP 2010" or "Plan-III") has been formed.

The ESOP 2010 comprises of:

- Indiabulls Real Estate Limited Employees Stock Option Scheme – 2010 ("Stock Option Scheme");
- Indiabulls Real Estate Limited Employees Stock Purchase Plan 2010 ("Stock Purchase Plan"); and
- Indiabulls Real Estate Limited Stock Appreciation Rights Plan 2010 ("Stock Appreciation Rights Plan").

Under the Stock Option Scheme, exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as the case may be decided by the board of directors or compensation committee. During the year ended 31 March 2016, board of directors of the Company at its meeting held on 26 June 2015, re-granted (original grant was of date 14 November 2015) under the "Indiabulls Real Estate Limited Employees Stock Options Plan - 2010", 10,500,000 stock options to eligible employees of the Company and its subsidiary companies representing an equal number of equity shares of face value of ₹2 each in the Company, at an exercise price of ₹ 54.50, being the closing market price of previous day on the National Stock Exchange of India Limited. The stock options so granted, shall vest within 5 years beginning from 26 June 2016, the first vesting date. The options vested under each of the slabs, can be exercised within a period of five years from the relevant vesting date.

Following is a summary of options granted under the plan –

Particulars	31 March 2023	31 March 2022
Opening balance	-	14,45,688
Granted during the year	-	-
Exercised during the year	-	13,92,020
Forfeited during the year	-	53,668
<b>Closing balance</b>	-	-
Vested and exercisable	-	-

Weighted average share exercised price during the year ended 31 March 2023: Nil (31 March 2022: ₹ 149.71)

The fair value of the option under Plan III using the black scholes model, based on the following parameters is ₹34.30 per option, as certified by an independent valuer.

Particulars	Plan – III
Fair market value of option on the date of grant	₹ 34.30
Exercise price	₹ 54.50
Expected volatility	89%
Expected forfeiture percentage on each vesting date	Nil
Expected option life (weighted average)	8 Years
Expected dividend yield	3.45%
Risk free interest rate	8.03%

The expected volatility was determined based on historical volatility data of the Company's shares listed on the National Stock Exchange of India Limited.

The vesting of stock options granted thereunder the Stock Option Scheme commenced from June 26, 2016. However, all options granted under the Stock Option Scheme are either fully exercised or lapsed and there are no stock options outstanding as on 31 March 2022.

The ESOP 2010 was modified pursuant to the resolution of the Compensation Committee of our Company on April 19, 2021, through which the stock appreciation rights ("SARs") were included as part of the ESOP 2010.



**Indiabulls Real Estate Limited**

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

In terms of the Stock Purchase Plan an offer of Equity Shares of the Company or appreciation in the price of Equity Share over and above the exercise price shall be made to the eligible employees based on the performance of the participant or such other criteria as decided by the compensation committee. The offer of Equity Shares is required to specify the number of Equity Shares offered under the Stock Purchase Plan, the share price at which the Equity Shares will be transferred from the Indiabulls Employee Welfare Trust (Trust) to the employee, fulfilment of the performance and other conditions, if any, subject to which Equity Shares shall be transferred and the other terms and conditions thereof.

In terms of the Stock Appreciation Rights Plan, the SARs shall be awarded by the Trust to the eligible employees of our Company and/or Subsidiaries, which shall include recurring awards to the same employee, based upon the performance of the participant or such other criteria as may be decided by the compensation committee. Under the Stock Appreciation Rights Plan, the vesting period cannot be for a period less than one year from the date of awarding the SARs.

The Trust had acquired 3,125,164 Equity Shares from the secondary market during financial year 2021, which had been and are currently held by the Trust, and these have been appropriated/granted to the employees of our Company and/or our Subsidiaries, in pursuance and in compliance with applicable SEBI Employee Benefit Regulations. As per the vesting schedule, 100% SARs shall vest at the expiry of one year from the date of its grant and the rights can be exercised within a period of five years from such vesting date.

During the year ended 31 March 2023, some of the eligible employees holding Share appreciation rights ('SARs') exercised their SARs to receive the appreciation against such SARs. The employee welfare trust ("trust") which held 3,125,164 equity shares of the Company, at the beginning of the year, sold 2,525,164 equity shares, in the open market and passed on the benefit to the Company which in turn passed on the benefit to the eligible employees. The trust still holds 600,000 equity shares of the Company as at the year ended 31 March 2023.

**Indiabulls Real Estate Limited Employees Stock Options Plan 2011 (IV)**

During the year ended 31 March 2012, the board of directors and shareholders of the Company have given their consent to create, issue, offer and allot, to the eligible employees of the Company and its subsidiary companies, stock options not exceeding 15,000,000 in number, representing 15,000,000 equity shares of face value of ₹2 each, and accordingly the Employee Stock Option Scheme 2011 ("IBREL ESOS 2011") has been formed. As per the scheme exercise price will be the market price of the equity shares of the Company, being the latest available closing price, prior to the date of grant or as may be decided by the board or compensation committee. However, compensation committee of the board has not yet granted any options under IBREL ESOP 2011 Scheme.

**Note – 54**

Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows. The changes in the Company's liabilities arising from financing activities can be classified as follows:

**A. The changes in the Company's borrowings arising from financing activities can be classified as follows:**

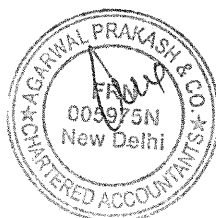
(₹ in million)

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Interest accrued	Total
<b>Net debt as at 01 April 2021</b>	<b>3,434.10</b>	<b>1,790.70</b>	<b>175.60</b>	<b>5,400.40</b>
Proceeds from current/non-current borrowings (including current maturities)	-	1,607.50	-	1,607.50
Repayment of current/non-current borrowings (including current maturities)	(1,200.00)	(536.50)	-	(1,736.50)
Non-cash movement arising on account of amortisation of upfront fees and others	14.30	-	(14.30)	-
Interest expense	-	-	458.00	458.00
Interest paid	-	-	(413.90)	(413.90)
<b>Net debt as at 31 March 2022</b>	<b>2,248.40</b>	<b>2,861.70</b>	<b>205.40</b>	<b>5,315.50</b>
Proceeds from current/non-current borrowings (including current maturities)	-	116.00	-	116.00
Repayment of current/non-current borrowings (including current maturities)	(2,250.00)	(1,534.50)	-	(3,784.50)
Non-cash movement arising on account of amortisation of upfront fees and others	1.60	-	(1.60)	-
Interest expense	-	-	268.20	268.20
Interest paid	-	-	(472.00)	(472.00)
<b>Net debt as at 31 March 2023</b>	<b>-</b>	<b>1,443.20</b>	<b>-</b>	<b>1,443.20</b>

**B. The changes in the Company's lease liabilities arising from financing activities can be classified as follows:**

(₹ in million)

Particulars	Amount
<b>Lease liabilities as at 01 April 2021 (current and non-current)</b>	<b>1.00</b>
Interest on lease liabilities	58.90
Payment of lease liabilities	2.70
Impact on account of termination of lease contract during the year	(14.50)
<b>Lease liabilities as at 31 March 2022 (current and non-current)</b>	<b>48.10</b>
Interest on lease liabilities	4.30
Payment of lease liabilities	(23.30)
Impact on account of commencement of lease contract during the year	3.10
<b>Lease liabilities as at 31 March 2023 (current and non-current)</b>	<b>32.20</b>



**Indiabulls Real Estate Limited**

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

**Note – 55**

**Segment reporting**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. purchase, sale, real estate properties advisory, construction and development of real estate properties and all other related activities which as per Ind AS 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company derives its major revenues from real estate properties advisory business (largely from related parties). The Company is operating in India which is considered as a single geographical segment.

**Note – 56**

As at 31 March 2023, the Company's financial assets are more than 50 per cent of its total assets (netted of by intangible assets) and income from financial assets is more than 50 per cent of the gross income of the Company. However, basis consolidated financial position, the Company's financial assets and income from financial assets does not meet the said criteria. The Company was incorporated with an objective of carrying on the business of construction and development of real estate properties and has been carrying the above business in line with the objects clauses stated in its articles of association. Accordingly, the Management basis the legal opinion obtained from an independent legal expert believes that the principal business of the Company is not that of Non-Banking Financial Company and hence it is not required to obtain certificate of registration as a Non-Banking Financial Company under section 45IA of the Reserve Bank of India Act, 1934.

**Note – 57**

During year ended 31 March 2021, the Board of Directors of the Company had considered and approved the proposal of merger of NAM Estates Private Limited ("NAM Estates") and Embassy One Commercial Property Development Private Limited ("NAM Opco") both Embassy group entities with the Company ("Amalgamation"). The proposed Amalgamation will be achieved through a cashless composite scheme of amalgamation of NAM Estates and NAM Opco into the Company, in accordance with Section 230-232 of the Companies Act, 2013 read with the rules framed thereunder, as amended, and the Securities and Exchange Board of India circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017, as amended and other applicable regulations and provisions, subject to necessary statutory and other approvals ("Scheme"). Upon effectiveness of the Scheme, IBREL will issue its equity shares, in accordance with the approved share swap ratios, to the shareholders of NAM Estates and NAM Opco, which will include Embassy promoter and promoter entities, Embassy institutional investors and other shareholders. For the proposed Amalgamation and arriving to share swap ratio, IBREL is valued at Rs 92.50 per share. The Scheme had been granted approval by Competition Commission of India ("CCI") and SEBI/Stock exchanges. The Company had filed the requisite joint application with jurisdictional bench of NCLT, for its approval to the Scheme of Merger.

The Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), NCLT vide its order dated 23 December 2021, had directed the Company to convene a meeting of its shareholder on 12 February 2022, through Video Conference/Other Audio Visual Means, under the Chairmanship of NCLT appointed Chairperson, to seek approval of shareholders of the Company to the proposed Scheme of Merger.

The Equity shareholders of the Company, at their meeting held on 12 February 2022, have approved, with requisite majority, the proposed Scheme of Amalgamation of NAM Estates Private Limited, Embassy One Commercial Property Developments Private Limited and Indiabulls Real Estate Limited and their respective shareholders and creditors.

The Hon'ble National Company Law Tribunal ("NCLT"), Chandigarh Bench, on 09 May 2023, pronounced an order, pursuant to which the sanction to the Merger has been withheld. The Board of Directors of the Company, in their meeting held on 17 May 2023, has discussed and evaluated legal options available with the Company and decided to challenge the said Order by filing an appeal before the Hon'ble National Company Law Appellate Tribunal ("NCLAT"), New Delhi. The Board has further authorized the Reorganization Committee to take necessary steps in this regard.

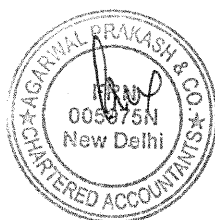
**Note – 58**

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 has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Company could be material. The Company will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**Note – 59**

During the year ended 31 March 2023 and 31 March 2022 the company has not been recognised any revenue as per Ind AS 115.

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Indiabulls Real Estate Limited

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

Note – 60

Previous year numbers have been regrouped/reclassified wherever considered necessary.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration No.: 005975N

Vikas Agarwal  
Partner

Place: New Delhi  
Date: 30 May 2023



For and on behalf of the board of directors

Sachin Shah  
Whole-time director  
[DIN: 00387166]

Place: Mumbai  
Date: 30 May 2023

Manish Kumar Sinha  
Chief Financial Officer

Place: Mumbai  
Date: 30 May 2023

Shyam Mariwala  
Director  
[DIN: 00350235]

Place: Mumbai  
Date: 30 May 2023

Chandra Shekhar Joshi  
Company Secretary

Place: Mumbai  
Date: 30 May 2023