

**IITL** GROUP

INDUSTRIAL INVESTMENT TRUST LIMITED



Annual Report  
2022-2023

## **90<sup>th</sup> ANNUAL GENERAL MEETING**

**on**

**Friday, September 22, 2023 at 3.00 p.m.  
through Video Conferencing (“VC”) /  
Other Audio Visual Means (“OAVM”)**

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**INDUSTRIAL INVESTMENT TRUST LIMITED**  
**CIN: L65990MH1933PLC001998**

- BOARD OF DIRECTORS** : Dr. Bidhubhusan Samal - Chairman  
Mr. Bipin Agarwal  
Mr. Venkatesan Narayanan  
Ms. Sujata Chattopadhyay  
Mr. Milind S. Desai  
Mr. Shankar Narayan Mokashi - Nominee of LIC of India  
Ms. Cumi Banerjee - CEO (Secretarial, Legal and Admin) &  
Company Secretary  
Mr. Rajev Adlakha - Chief Executive Officer – NBFC Operations  
Appointed w.e.f. February 14, 2023  
Mr. Kamlesh Agrawal - Group CFO (upto February 16, 2023)  
Mr. Ajit Kumar Mishra - Group CFO  
Appointed w.e.f. February 17, 2023
- BANKERS** : Axis Bank Limited  
Union Bank of India  
HDFC Bank Limited
- AUDITORS** : Maharaj N R Suresh and Co., LLP  
Chartered Accountants  
(Registration No. 001931S / S000020)
- REGISTRAR & SHARE  
TRANSFER AGENTS** : Link Intime India Private Limited  
C-101, 247 Park, L. B. S. Marg,  
Vikhroli (W), Mumbai 400 083  
Tel: 022 4918 6000 / 4918 6270 - Investor Cell  
Email address: rnt.helpdesk@linkintime.co.in  
Website: www.linkintime.co.in
- REGISTERED OFFICE** : Office No.101A, 'The Capital',  
G Block, Plot No.C-70,  
Bandra Kurla Complex,  
Bandra East, Mumbai - 400051  
Tel: 022 43250100  
Email address: iitl@iitlgroup.com  
Website: www.iitlgroup.com

**NOTICE**

NOTICE is hereby given that the Ninetieth Annual General Meeting of the Members of Industrial Investment Trust Limited will be held on **Friday, September 22, 2023 at 3.00 p.m. IST** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") facility to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited financial statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Shankar Narayan Mokashi (DIN: 08943356), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS****3. Re-appointment of Ms. Sujata Chattopadhyay (DIN: 02336683) as an Independent Director**

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149(10) and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 (the Act), The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (SEBI Listing Regulations), Ms. Sujata Chattopadhyay (DIN: 02336683), whose present term of office as an Independent Director was up to the 90th Annual General Meeting of the Company to be held in 2023 for the year ended March 31, 2023, and who has given her consent for the re-appointment and has submitted a declaration that she meets the criteria for independence under Section 149 of the Act and the SEBI Listing Regulations and is eligible for re-appointment, in respect of whom Notice has been received from a Member under Section 160 of the Act proposing her re-appointment as Director and whose re-appointment has been recommended by the Nomination and Remuneration Committee and by the Board of Directors be and is hereby re-appointed as an Independent Director of the Company, for a second term of five consecutive years with effect from the conclusion of this Annual General Meeting or adjournment, if any, thereof up to the 95<sup>th</sup> Annual General Meeting of the Company to be held in 2028 for the year ended March 31, 2028.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

**4. To approve sale, disposal and leasing of assets exceeding 20% of the assets of the material subsidiary of the Company**

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Regulation 24 (6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 (including any statutory modification(s) thereof for the time being in force) and the Material Subsidiary Policy of the Company and subject to such other approvals as may be required, consent of the Members of the Company be and is hereby accorded to sell, lease or otherwise dispose off by way of sale of investment contribution held by the material listed subsidiary, IITL Projects Limited in its Joint Venture Firms:

- (i) IITL Nimbus - Express Park View (EPV-II); and
- (ii) IITL Nimbus - The Palm Village (Palm Village)

to Nimbus Projects Limited, another Partner of the respective Joint Venture Firms, at such time and on such terms and conditions and in such manner as may be necessary from time to time resulting in sale/disposal of assets of IITL Projects Limited, the Material Subsidiary exceeding 20% of the value of the assets of IITL Projects Limited, on an aggregate basis during any financial year.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise one or more of its powers including the powers conferred hereinabove) be and is hereby authorized to do all such acts, matters, deeds and things and give all such directions as it may in its absolute discretion deem necessary, expedient or desirable, in order to give effect to this resolution, including without limitation, to file all necessary applications with regulatory authorities and to appoint consultants, valuers, legal advisors and all such agencies as may be required for the purposes of effecting the sale as aforesaid, without being required to seek further clarification, consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate any or all of the aforesaid powers to any Committee or any Director of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

**5. Approval of Related Party Transaction(s) under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)**

**Regulations, 2015 for Sale of Company's investment in the Equity and Preference Shares of the Associate Company, World Resorts Limited to Nimbus (India) Limited, one of the Shareholders of World Resorts Limited**

To consider, and if thought fit, to pass with or without modifications, the following Resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time and Sections 2(76), 180(1)(a), 188 and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise) proposed to be entered into for sale of Company's investment in the Equity and Preference Shares of the Associate Company, World Resorts Limited to Nimbus (India) Limited, one of the Shareholders of World Resorts Limited for an aggregate sale consideration of ₹ 65.52 Crores, and inter alia on the following broad terms and conditions:

1. Nimbus (India) Limited to remit a sum of ₹ 50.00 crores, being the Company's original purchase value of Preference capital;
2. Nimbus (India) Limited to remit a sum of ₹ 15.52 crores, being the Company's original capital purchase value of Equity capital;
3. Nimbus (India) Limited to remit 10% of the total consideration amount i.e., ₹655.20 lakhs within 15 days from the date of receipt of formal approval of the Board. On payment of the 10% of the total consideration, proportionate equity / preference shares will be transferred by the Company to Nimbus (India) Limited;
4. A definitive and binding agreement (Share Purchase Agreement / Binding Term-Sheet / MOU) specifying the warranties / confirmations / assurances needed

from the parties for carrying out the subject transaction would be executed between the Parties immediately after the shareholders' approval; and

5. Once the shareholders' approval is received, Nimbus (India) Limited to remit the balance 90% of the consideration amount, in one or more tranches, on or before March 31, 2024. On transfer of the balance 90% in one or more tranches, proportionate equity / preference shares will be transferred by the Company to Nimbus (India) Limited.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this Resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions with regard to the powers herein conferred to, without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board of Directors of the Company (including any Committee thereof) in connection with any matter referred to or contemplated in this Resolution, be approved, ratified and confirmed in all respects."

By Order of the Board of Directors  
For **Industrial Investment Trust Limited**

Cumi Banerjee  
CEO (Secretarial, Legal &  
Admin) & Company Secretary

Mumbai: August 18, 2023

**Registered Office :**  
Office No.101A, 'The Capital',  
G Block, Plot No.C-70,  
Bandra Kurla Complex,  
Bandra East, Mumbai - 400051  
CIN: L65990MH1933PLC001998  
E-mail address: iitl@iitlgroup.com  
Website: www.iitlgroup.com

**NOTES**

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 in relation to “Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.** However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.
3. In line with the MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by Securities Exchange Board of India (collectively referred to as “SEBI Circulars”), the Notice calling the AGM and Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or CDSL / NSDL (“Depositories”). Members may note that Notice and Annual Report 2022-23 will also be made available on the Company’s website at [www.iitlgroup.com](http://www.iitlgroup.com), websites of the Stock Exchanges i.e. BSE Limited and The National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
4. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the RTA by emailing to [lochan.chavan@linkintime.co.in](mailto:lochan.chavan@linkintime.co.in) immediately to receive copies of Annual Report in electronic mode.
5. Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In compliance with applicable provisions of the Act read with the MCA and SEBI Circulars and the Listing Regulations, the AGM of the Company is being conducted through VC / OAVM. In accordance with the Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/ OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
8. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. Members are requested to -
  - i. intimate to the DP, changes if any, in their names, registered addresses, email address, telephone/mobile numbers, and/or changes in their bank account details, if the shares are held in dematerialized form.
  - ii. intimate to the Company’s RTA, changes if any, in their names, registered addresses, email address, telephone/mobile numbers, and/or changes in their bank account details, if the shares are held in physical form (share certificates).

- iii. consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
  - iv. dematerialize their Physical Shares to Electronic Form (Demat) as, in terms of Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. Dematerialisation of shares would help to eliminate risks associated with Physical Shares. Members can contact Registrar and Transfer Agents viz., Link Intime India Private Limited, Mumbai (Tel. No. 022 4918 6000 / 4918 6270) for assistance, if any, in this regard.
10. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; subdivision/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the Company's website at <http://www.iitlgroup.com/newStatic/Reports/Form-ISR-4.pdf>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
  11. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Link Intime India Private Limited, for assistance in this regard.
  12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants and members holding shares in physical form can submit their PAN details to the Company.
  13. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 15, 2023 to Friday, September 22, 2023 (both days inclusive).
  14. In all the correspondences with the Company / Registrar and Share Transfer Agents, the members holding in physical form are requested to quote their account / folio numbers and in case their shares are held in dematerialised form, they must quote their Client ID Number and DP ID Number.
  15. Pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has transferred on due date, the unpaid or unclaimed dividend amount for the financial year ended March 31, 2015 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2022 on the website of the Company viz. [www.iitlgroup.com](http://www.iitlgroup.com) and the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).
- The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Accordingly during the Financial Year 2022-23, the Company has transferred 26,773 Shares constituting 52 Folios to the IEPF account as per the requirements of the IEPF rules. The details are available on our weblink, at <http://www.iitlgroup.com/newStatic/InvestorRelations.aspx>.
- Members may please note that in the event of transfer of such shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF authorities by submitting online application in the prescribed Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending original documents enumerated in Form IEPF-5 duly signed to the Company along with Form IEPF- 5 for verification of claim.
- The Members whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPF/refund.html>.
16. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
  17. Members can avail the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form duly filled-in to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
  18. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents can send an email to [iitl@iitlgroup.com](mailto:iitl@iitlgroup.com).

19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting during the General Meeting.
20. Ms. Chandanbala O. Mehta, Practising Company Secretary (Membership No. F6122) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
21. The Scrutinizer shall after the conclusion of voting during the general meeting, will first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
22. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.iitlgroup.com](http://www.iitlgroup.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. Simultaneously, the results shall also be forwarded to the BSE Limited and The National Stock Exchange of India Limited, Mumbai.

The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Friday, September 22, 2023, subject to receipt of the requisite number of votes in favour of the Resolutions.

**23. THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Tuesday, September 19, 2023 at 9:00 a.m. (IST) and ends on Thursday, September 21, 2023 at 5:00 p.m. (IST). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 15, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
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Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on "Shareholders" module.
3. Now enter your User ID
  - (a) For CDSL: 16 digits beneficiary ID,
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- (c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alphanumeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for INDUSTRIAL INVESTMENT TRUST LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz; [jainchandana@gmail.com](mailto:jainchandana@gmail.com), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [iitl@iitlgroup.com](mailto:iitl@iitlgroup.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [iitl@iitlgroup.com](mailto:iitl@iitlgroup.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/  
MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/  
DEPOSITORIES**

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Details of the Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting**

Name of the Director	<b>Mr. Shankar Narayan Mokashi</b>	<b>Ms. Sujata Chattopadhyay</b>
Director Identification Number	08943356	02336683
Age	61 years	58 years
Nationality	Indian	Indian
Date of Appointment	12.11.2020	26.09.2017
Qualifications	B.Sc., MBA, FIII	B.Com, FCWA, FCS
Expertise in specific functional areas	Mr. S.N. Mokashi, retired from LIC of India w.e.f. 01.01.2022 but continues to represent LIC of India as a Nominee Director. He carries with him more than 35 years of experience of Life Insurance Industry in India. During his tenure with LIC he has worked across functions viz. Information Technology, Pension & Group Schemes, Personnel Department, CRM Department, Estate Department in LIC. He has keen interest in IT functions and spent major part of his career on the IT side wherein he was instrumental in adopting as well as developing various IT package viz. Feap, ODS and Online Premium collections through Customer Portal to enhance customer centricity and improve functionality. He also headed IT function of LIC Housing Finance as General Manager wherein he had implemented two main IT packages Kastle and Orion to take care of the Loan Processing and Accounting part of LIC HFL. During his tenure as Executive Director, Investments (RMR) he implemented IT package for Enterprise Risk Management.	She is a registered Insolvency Professional with around 35 years post qualification experience. Starting her career as a Cost Accountant, she has worked across various industries and geographies. Presently in full time practice as a Company Secretary, she was a whole time director with Choice Capital Advisors Private Limited, a Merchant Banking company. She is an Independent Director at Steel Exchange India Limited, Vakrangee Limited and IITL Projects Limited.
Terms & Conditions of Appointment/ Re-appointment	As per the resolution at item no. 3 of the Notice convening the 88th Annual General Meeting on September 28, 2021 read with explanatory statement thereto.	As per the resolution at item no. 3 of the Notice convening the ensuing 90th Annual General Meeting on September 22, 2023 read with explanatory statement thereto.
Remuneration last drawn (including sitting fees, if any)	₹ 7,20,000/- by way of sitting fees for attending Board / Committee Meetings	₹ 2,40,000/- by way of sitting fees for attending Board / Committee Meetings
Remuneration proposed to be paid	₹ 60,000/- for every Board / Committee Meeting attended or any other amount decided by the Board from time to time in accordance with the provisions of Companies Act, 2013	₹ 60,000/- for every Board / Committee Meeting attended or any other amount decided by the Board from time to time in accordance with the provisions of Companies Act, 2013
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Number of meetings of Board attended during the year	7	7



<p>Directorships held in other companies (Excluding alternate directorship, foreign companies and companies under Section 8 of the Companies Act, 2013)</p>	<p>Nil</p>	<ol style="list-style-type: none"> <li>1. Revalyu Recycling (India) Limited (Formerly known as Polygenta Technologies Limited)</li> <li>2. Steel Exchange India Limited</li> <li>3. Vakrangee Limited</li> <li>4. IITL Projects Limited</li> <li>5. Resolve International Private Limited</li> <li>6. Felguera Gruas India Private Limited</li> </ol>
<p>Committee position held in other companies (Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee have been included)</p>	<p>Nil</p>	<p><b><u>Audit Committee</u></b>  <b>Chairperson -</b>  <ol style="list-style-type: none"> <li>1. Revalyu Recycling (India) Limited (Formerly known as Polygenta Technologies Limited)</li> </ol> <b>Member -</b>  NIL  <b><u>Stakeholders Relationship Committee</u></b>  <b>Chairperson -</b>  NIL  <b>Member -</b>  <ol style="list-style-type: none"> <li>1. Revalyu Recycling (India) Limited (Formerly known as Polygenta Technologies Limited)</li> <li>2. IITL Projects Limited</li> </ol> </p>
<p>No. of shares held in the company</p>	<p>NIL</p>	<p>NIL</p>

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**Item No. 3**

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Ms. Sujata Chattopadhyay as an Independent Director at the Annual General Meeting held on September 21, 2018 for a term of five consecutive years with effect from September 21, 2018 up to the 90th Annual General Meeting of the Company to be held in 2023 for the year ended March 31, 2023. As Ms. Sujata Chattopadhyay, Independent Director shall be completing her first term of appointment upon completion of five years at the ensuing Annual General Meeting, she is eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. Ms. Sujata Chattopadhyay has consented to her re-appointment and confirmed that she does not suffer from any disqualifications which stand in the way of her re-appointment as an Independent Director.

The performance evaluation of the Independent Director was conducted by the entire Board of Directors (excluding the Director being evaluated) on the basis of a structured questionnaire which was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning viz. adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

Accordingly, the Nomination & Remuneration Committee and the Board of Directors of the Company at their respective Meetings held on August 18, 2023, have recommended the re-appointment of Ms. Sujata Chattopadhyay as an Independent Director for a second term of five consecutive years commencing from the date of the ensuing Annual General Meeting i.e. September 22, 2023. During her tenure of appointment, she shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received declaration from her confirming that she meets the criteria of independence as prescribed under sub-section 6 of Section 149 of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). In the opinion of the Board, she fulfills the conditions for re-appointment as an Independent Director and she is independent of the management.

The brief profile of Ms. Sujata Chattopadhyay is given hereunder:

Ms. Sujata Chattopadhyay is a Fellow member of the Institute of Cost Accountants of India and the Institute of Company Secretaries of India. She is a registered Insolvency Professional with over 35 years post qualification experience. Starting her career as a Cost Accountant, she has worked across various industries and geographies. Presently in full time practice as a Company Secretary. She was a whole time director with Choice Capital Advisors Private Limited, a Merchant Banking company. She is an Independent

Director at Revalyu Recycling (India) Limited (Formerly known as Polygenta Technologies Limited), Steel Exchange India Limited, Vakrangee Limited and IITL Projects Limited.

Keeping in view her vast experience and knowledge, it will be in the interest of the Company that Ms. Sujata Chattopadhyay is re-appointed as an Independent Director of the Company.

The Company has also received notice from a Member under Section 160 of the Companies Act, 2013 (the Act) proposing her re-appointment as Director.

A copy of the draft letter for re-appointment of the Independent Director setting out the terms and conditions of her re-appointment is available for inspection by the Members at the Registered Office of the Company during the office hours on all working days except Saturdays, during business hours up to the date of the Meeting.

The Board recommends the Resolution as set out in Item No. 3 of the Notice for approval of the Members.

Except Ms. Sujata Chattopadhyay, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested, financially or otherwise, in passing of the said resolution.

**Item No. 4**

The Members are apprised that approval of Shareholders of the Company by way of a special resolution is required under Regulation 24(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for selling, disposing and leasing of assets amounting to more than 20% (twenty per cent) of the assets of the material subsidiary on an aggregate basis during a financial year, unless inter alia the sale / disposal / lease is made under a scheme of arrangement duly approved by a Court / Tribunal.

Members are informed that IITL Projects Limited ("IITLPL") is a material subsidiary of the Company.

IITLPL is currently facing liquidity crunch due to Asset-Liability mismatch which may lead to stress in timely repayments of the obligations to the Preference Shareholder from time to time in future.

- (i) The Capital contribution in IITL Nimbus -The Express Park View is jointly held by IITL Projects Limited and Nimbus Projects Limited. As on March 31, 2023, IITL Projects Limited and Nimbus Projects Limited held 12.08% amounting to ₹ 3.02 Crores and 87.92% amounting to ₹ 22 Crores respectively.

IITL Nimbus -The Express Park View was initially launched in two phases i.e. Phase I & Phase II. The Phase I comprises of 10 towers and have 1320 residential flats. The Phase II comprises of 39 commercial units. All the 39 commercial units and out of total 1320 residential flats 1199 flats have been sold as on March 31, 2023. The Firm has also undertaken construction of low rise apartments, in Phase III, under the name and style of THE EXPRESS PARK VIEW-II LOW RISE

APARTMENTS". The Phase III comprises of 310 flats in 16 towers out of which 70 flats have been sold, and the project is under construction.

EPV-II has informed IITLPL that the undertaken project is delayed and is now in requirement of additional funds for completing the project. IITLPL is not able to make additional contribution due to paucity of funds.

IITLPL has received an offer from the other Joint Venture Partner, Nimbus Projects Limited, offering to purchase IITLPL's stake of 12.08% in IITL Nimbus -The Express Park View to the extent of capital infused by IITLPL.

- (ii) The Capital contribution in IITL Nimbus – The Palm Village (Palm Village) is jointly held by IITL Projects Limited and Nimbus Projects Limited. As on March 31, 2023, IITL Projects Limited and Nimbus Projects Limited held 49.44% amounting to ₹ 22 Crores and 50.56% amounting to ₹ 22.50 crores respectively.

IITL Nimbus -The Palm Village has frozen the designs of new layout plans of the Project and is planning to file the same for approval with the (YEIDA). Once the layout plans are approved and necessary permissions are obtained from the concerned department(s), the Firm shall then apply with Real Estate Regulation Authority (RERA), Lucknow for registration and the project shall be launched for sale in market. The firm is now in requirement of additional funds for undertaking the above mentioned project. IITLPL is not able to make additional contribution due to paucity of funds.

IITLPL has received an offer from the other Joint Venture Partner, Nimbus Projects Limited, offering to purchase IITLPL's stake of 49.44% in IITL Nimbus -The Palm Village to the extent of capital infused by IITLPL.

IITLPL has informed the Company that it does not have funds to make additional contribution in its jointly controlled entities, (i) IITL Nimbus - Express Park View (EPV-II); and (ii) IITL Nimbus – The Palm Village (Palm Village). Under the said circumstances, it may exit from the Joint Ventures and sell its investment contribution to Nimbus Projects Limited, another Partner of the respective Joint Venture Firms, at such time and on such terms and conditions and in such manner as may be necessary from time to time.

The proposed sale of investment contribution by the material subsidiary of the Company may result in disposal in excess of 20% (twenty per cent) of its total assets during a financial year, the Company is required to seek Shareholders approval by way of special resolution under Regulation 24(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at the ensuing Annual General Meeting.

The Board accordingly recommends the Special Resolution set out at Item No. 4 of this Notice for approval by the Members by way of Special Resolution.

Except Mr. Bipin Agarwal and Dr. Bidhubhusan Samal, none of the other Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolution.

#### **Item No. 5**

The Company had made investment of ₹ 15.52 crores for acquiring 1,30,18,125 equity shares equivalent to 25% of equity share capital of World Resorts Limited (WRL), an unlisted public company. As on date the full value of investment into equity totalling to ₹ 15.52 crores are impaired in the books of IITL. The face value is ₹ 13.02 crores. Consequent to the Rights Issue raised by WRL, the Company's Equity stake diluted from 25% to 24.62%.

The Company holds 1,00,00,000 Preference Shares (face value ₹ 10/- and premium paid is ₹ 40/- per share totaling to ₹ 50 crores) constituting 67.23 % of the Preference capital of WRL.

World Resorts Limited is in the business of hospitality and owns and operates a Deluxe Five Star Resort by the name Golden Palms Hotel and Spa at Off. Tumkur Road, Bangalore.

Nimbus (India) Limited, one of the Shareholder of World Resorts Limited, has offered to acquire the Company's investment in the Equity and Preference share capital of World Resorts Limited for an aggregate sale consideration of ₹ 65.52 Crores on inter alia, the following broad terms and conditions:

1. Nimbus (India) Limited to remit a sum of ₹ 50.00 crores, being the Company's original purchase value of Preference capital;
2. Nimbus (India) Limited to remit a sum of ₹ 15.52 crores, being the Company's original capital purchase value of Equity capital;
3. Nimbus (India) Limited to remit 10% of the total consideration amount i.e., ₹ 655.20 lakhs within 15 days from the date of receipt of formal approval of the Board. On payment of the 10% of the total consideration, proportionate equity / preference shares will be transferred by the Company to Nimbus (India) Limited;
4. A definitive and binding agreement (Share Purchase Agreement / Binding Term-Sheet / MOU) specifying the warranties / confirmations / assurances needed from the parties for carrying out the subject transaction would be executed between the Parties immediately after the shareholders' approval; and
5. Once the shareholders' approval is received, Nimbus (India) Limited to remit the balance 90% of the consideration amount, in one or more tranches, on or before March 31, 2024. On transfer of the balance 90% in one or more tranches, proportionate equity / preference shares will be transferred by the Company to Nimbus (India) Limited.

As per the Valuation Reports dated May 16, 2023 obtained from N.A. Shah Advisors LLP indicating the value of Equity Shares and Relevant Preference Shares of WRL:





- (i) Value of each Equity Shares of WRL is estimated to be NIL as on the Valuation Date; and
- (ii) Value of the Company's investment in Preference Shares of WRL is estimated to be ₹ 42.34 Crores.

Two Reports on the Valuation of the Property have been obtained from Mr. Laxmi Narasimhaa K. A. and Mr. Y.P. Muralidhara as detailed hereunder:

- (i) Report dated August 14, 2023 received from Mr. Laxmi Narasimhaa K. A. LL.M., LL.B., M.B.A. FIIV, CAL, M.Sc. Valuation Engineer, Approved Valuer, & Accredited Mediator Reg. No. CAT 1/F-2635/11. According to the Report, the Fair and Reasonable Market Value or Intrinsic Value (IV) of the property as in the year 2023 is indicated to be approximately ₹ 1,66,95,97,646.00 (Rupees One Hundred Sixty Six Crores Ninety Five Lakhs Ninety Seven Thousand Six Hundred Forty Six and Paise Nil Only); and
- (ii) Report dated August 10, 2023 received from Mr. Y.P. Muralidhara, B.Arch., FIV, M.C.A Architect & Registered Valuer Reg. No. CAT 1/Vol 1 /267/93-94. According to the Report, the Fair and Reasonable Market Value or Intrinsic Value (IV) of the property as in the year 2023 is indicated to be approximately ₹ 153,71,72,403.00 (Rupees One Hundred Fifty Three Crores Seventy One Lakhs Seventy Two Thousand Four Hundred Three and Paise Nil Only).

As per the Valuation Report dated August 16, 2023 obtained from CapitalSquare Advisors Private Limited (Category - I Merchant Banker):

- (i) WRL's Total Equity Value based on Discounted Cash Flow (DCF) method is ₹ 98.26 Crores; and
- (ii) WRL's Total Equity Value based on Net Asset Value (NAV) method is ₹ 186.32 Crores

Since last 5 years, the Company has been exploring to divest its stake in World Resorts Limited. It was discussed and decided in the meetings that the Company should scout for buyer who would be interested in acquiring the stake of IITL and other shareholders.

The Management is desirous of exiting from the Associate Company in view of continuous losses incurred by it. The hospitality and travel industry were most hard-hit by COVID-19. The lockdown to contain spread of COVID-19 in the country had disastrous impact on the hospitality sector, particularly for hotels and hoteliers. The hotels are businesses that are very capital intensive and even have very high fixed charges. The associate company has incurred immense losses during last few years and needs additional fund infusion from time to time.

Over the years, WRL has not been able to pay any dividend and the investee companies had to impair their assets in compliance with the Accounting Standards. The Hotel is in need of urgent renovation / upgradation of the rooms which will need capital infusion.

Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions ('RPT') shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds INR 1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower. Regulation 2(1)(zc) of the SEBI Listing Regulations defines related party transaction to mean a transaction involving transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity, regardless of whether a price is charged or not.

Further, Section 180 (1) (a) of the Companies Act, 2013 stipulates that the Board of Directors of the Company shall exercise the following powers only with the consent of Company by a Special Resolution:

*Section 180 (1) (a): to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.*

The Members are further informed that for the purposes of this clause "undertaking" shall mean:

- i. *"undertaking" shall mean an undertaking in which the investment of the company exceeds twenty percent of its net-worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year.*

As per the audited Balance Sheet as on March 31, 2023, the Company's investment in World Resorts Limited is nearing the threshold limit of twenty percent of its net-worth. Considering it to be prudent, the Company is seeking shareholders' approval by way of Special Resolution for sale of the Company's investment in the Equity and Preference share capital of World Resorts Limited, to Nimbus (India) Limited, one of the Shareholder of World Resorts Limited.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the proposed transaction. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.

The Board of Directors recommend the resolution set out in the above notice for approval of the Members by way of Special Resolution.

Except Mr. Bipin Agarwal and Dr. Bidhubhusan Samal, none of the other Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Special Resolution.

By Order of the Board of Directors  
**For Industrial Investment Trust Limited**

Cumi Banerjee  
CEO (Secretarial, Legal & Admin) &  
Company Secretary

Mumbai: August 18, 2023

**Registered Office :**

Office No.101A, 'The Capital',  
G Block, Plot No.C-70,  
Bandra Kurla Complex,  
Bandra East, Mumbai - 400051  
CIN: L65990MH1933PLC001998  
E-mail address: [iitl@iitlgroup.com](mailto:iitl@iitlgroup.com)  
Website: [www.iitlgroup.com](http://www.iitlgroup.com)



**DIRECTORS' REPORT**

**Dear Shareholders,**

Your Directors are pleased to present the Ninetieth Annual Report of the Company, together with the Audited Statements of Accounts for the year ended March 31, 2023.

**Financial Performance**

The summarized standalone and consolidated results of your Company and its subsidiaries are given in the table below.

₹ in '000

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2023	31/03/2022	31/03/2023	31/03/2022
Total Income	1,59,220.39	72,565.39	1,77,484.50	90,092.52
Profit/(loss) before Interest, Depreciation & Tax (EBITDA)	5,22,597.86	55,344.32	4,75,088.20	55,528.08
Finance Charges	1,806.49	2,546.67	1,390.46	2,336.38
Depreciation	9,403.55	9,344.05	9,715.12	9,754.97
Exceptional Items	-	(10,39,500.00)	-	7,16,505.58
Net Profit / (Loss) before tax for the year	5,11,387.82	(9,96,046.40)	5,21,993.34	3,56,314.93
Provision for Tax (including for earlier years) / Deferred Tax	81,450.21	(15.28)	81,504.71	1,718.04
Share in Profit / (Loss) for Associate/Joint Ventures for the year	-	-	58,010.72	(4,03,627.38)
Net Profit/(Loss) After Tax	4,29,937.61	(9,96,031.12)	4,40,488.63	3,54,596.89
Other comprehensive income for the year	260.13	1,168.50	295.70	1,235.00
Total Comprehensive income for the year	4,30,197.74	(9,94,862.62)	4,40,784.33	3,55,831.89
Profit/(Loss) brought forward from previous year	(17,95,663.25)	(8,00,800.63)	(19,15,120.85)	(22,40,765.26)
Share in Profit / (Loss) Attributable to Minority interest	-	-	(8,369.53)	30,187.48
- Other Comprehensive income/(expenses) attributable	-	-	-	-
Items of other comprehensive income recognized directly in retained earnings: - Remeasurements of post-employment benefit obligation, net of tax	-	-	-	-
Profit / (Loss) carried to Balance Sheet	(13,65,465.51)	(17,95,663.25)	(14,65,966.99)	(19,15,120.85)
From this, the Directors have transferred to:				
Special Reserve	85,986.34	-	85,986.34	-
General Reserve	-	-	-	-
Capital Redemption Reserve	-	-	-	-
Leaving a balance to be carried forward	(14,51,451.85)	(17,95,663.25)	(15,51,953.33)	(19,15,120.85)

\* includes impact on new Indian Accounting Standard application.

Previous year figures have been regrouped / rearranged wherever necessary.

**Indian Accounting Standards**

The Company has adopted Indian Accounting Standards (IND AS) from the FY 2018-19 and has replaced the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

**Results of operations and state of Company's affairs**

During the year, the Company has earned pre-tax Profit of ₹ 5113.88 lakhs as compared to pre-tax loss of ₹ 9960.46 lakhs in the previous year. The total Income during the year was ₹ 1592.20 lakhs as compared to ₹ 725.65 lakhs in the previous year.

During the current year the company has rectified the presentation and disclosure relating to the notional interest and impairment in fair value of investments in preference shares in Associates, in accordance with Ind AS 8, read with Ind AS 27. However, this does not have any impact on the profits / losses determined in the previous periods, networth and the carrying amount of the investments.

Net gain on fair value changes for the above transaction in the current year is ₹ 59.03 lakhs compared to previous year of ₹ 354.35 lakhs.

The Reserve Bank of India (RBI) vide its letter dated June 25, 2018 has prohibited the Company from expanding its credit / investment portfolio other than investment in Government Securities till Net NPAs are brought down to below 5%.

During the year under review, the Company has entered into One Time Settlement with the Joint Ventures of the subsidiary Company, IITL Projects Limited and have recovered all outstanding loans granted to the Joint Ventures. Subsequent to that, the NPAs have become NIL.

As per the directions issued by RBI, the Company has deployed the funds amounting to ₹ 225 crores received from the sale of equity stake of Future Generali in Government Securities.

The Company has informed RBI regarding its investment in G secs and have made necessary submissions to RBI with regard to their Supervisory Concerns.

**Business Overview**

The Company is registered with Reserve Bank of India (RBI) as a Non-Deposit taking Non- Banking Financial Company (NBFC). It is a 'Systemically Important Non-Deposit taking NBFC'. It is primarily a Holding Company, holding investments in its subsidiaries and other group Companies and joint ventures. The activities of the Company comprises of Investment in equity shares quoted as well as unquoted, units of mutual funds, Fixed deposits with renowned Banks, Government Securities (G secs), Inter-Corporate Deposits and Loans to its Group Companies / entities. The Committee of Investments / Loans is entrusted with the power to make investments and grant loans and the Board of Directors is apprised of the investments of the Company and monitors the deployment of resources on regular basis.



The details of the Company's investments and analysis of securities held are given in Note 7 to the Balance Sheet as on March 31, 2023. The loans to subsidiaries and other entities within the group and interest income are disclosed in Note 6 and Note 19 to the Balance Sheet and Statement of Profit and Loss respectively as on March 31, 2023.

**Material changes and commitments occurred after the close of the financial year till date of this report which affects the financial position of the Company**

a) Sale, disposal and leasing of assets exceeding 20% of the assets of the material subsidiary of the Company, IITL Projects Limited

The Company has received a Letter dated August 11, 2023 from the subsidiary company, IITL Projects Limited (IITLPL). Vide said Letter, IITL Projects Limited has informed the Company that the other Joint Venture Partner viz. Nimbus Projects Limited of (i) IITL Nimbus - Express Park View (EPV-II); and (ii) IITL Nimbus - The Palm Village (Palm Village), the Joint Venture Firms, have requested the Company that since IITLPL could not make additional capital contribution, it may exit from the Joint Ventures.

As per SEBI (LODR) Regulations, 2015, "material subsidiary" shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In line with the Policy for determining Material subsidiaries and based on the Audited Financials of previous financial year 2022-2023, IITL Projects Limited is a material subsidiary of the Company.

The Management of IITLPL is desirous of exiting from the two Joint Venture Firms.

The said proposal is being placed at the ensuing Annual General Meeting for the approval of the shareholders under Regulation 24(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

b) Sale of the Equity and Preference Shares investment held by the Company in the Associate Company, World Resorts Limited to Nimbus (India) Limited, one of the Shareholders of World Resorts Limited

World Resorts Limited is in the business of hospitality and owns and operates a Deluxe Five Star Resort by the name Golden Palms Hotel and Spa at Off. Tumkur Road, Bangalore.

The Company had made investment of ₹15.52 crores for acquiring 1,30,18,125 equity shares equivalent to 25% of equity share capital of World Resorts Limited (WRL), an unlisted public company. The face value of the said equity shares is ₹ 13.02 crores. As on date the full value of investment into equity totalling to ₹ 15.52 crores are impaired in the books of IITL. The face value is ₹ 13.02 crores. Consequent to the Rights Issue raised by WRL, the Company's Equity stake diluted from 25.00% to 24.62%.

The Company also holds 1,00,00,000 preference shares (face value ₹ 10/- and premium paid is ₹ 40/- per share totaling to ₹ 50 crores) constituting 67.23 % of the preference capital of WRL.

The Company has received a letter dated August 07, 2023 from Nimbus (India) Limited for acquiring our investment in the Equity and Preference share capital of World Resorts Limited.

Nimbus (India) Limited has proposed the following offer:

1. Nimbus (India) Limited to remit a sum of ₹ 50.00 crores, being the Company's original purchase value of preference capital;
2. Nimbus (India) Limited to remit a sum of ₹ 15.52 crores, being the Company's original capital purchase value of equity capital;
3. Nimbus (India) Limited to remit 10% of the total consideration amount i.e., ₹ 655.20 lakhs within 15 days from the date of receipt of formal approval of the Board. On payment of the 10% of the total consideration, proportionate equity / preference shares will be transferred by the Company to Nimbus (India) Limited;
4. A definitive and binding agreement (Share Purchase Agreement / Binding Term-Sheet / MOU) specifying the warranties / confirmations / assurances needed from the parties for carrying out the subject transaction would be executed between the Parties immediately after the shareholders' approval; and
5. Once the shareholders' approval is received, Nimbus (India) Limited to remit the balance 90% of the consideration amount, in one or more tranches, on or before March 31, 2024. On transfer of the balance 90% in one or more tranches, proportionate equity / preference shares will be transferred by the Company to Nimbus (India) Limited.

The Management is desirous of exiting from the Associate Company in view of continuous losses incurred by it. The hospitality and travel industry were most hard-hit by COVID-19. The lockdown to contain spread of COVID-19 in the country had disastrous impact on the hospitality sector, particularly for hotels and hoteliers. The hotels are businesses that are very capital intensive and even have very high fixed charges. The associate company has incurred immense losses during last few years.

Over the years, WRL has not been able to pay any dividend and the investee companies had to impair their assets in compliance with the Accounting Standards. The Hotel is in need of urgent renovation / upgradation of the rooms which will need capital infusion.

The said proposal is being placed at the ensuing Annual General Meeting for the approval of the shareholders.

**Dividend**

Your Directors regret to inform you that the Company has not recommended any dividend for the financial year 2022-2023.

## Management Discussion and Analysis

Management Discussion and Analysis comprising an overview of the financial results, operations / performance and the future prospects of the Company forms part of this Annual Report.

### Change in Capital Structure

During the year, the Company has not issued any shares or convertible securities. The Company does not have any Scheme for issue of shares including sweat equity to the employees or Directors of the Company.

As on March 31, 2023, the issued, subscribed and paid up share capital of your Company stood at ₹ 22,54,75,500/-, comprising 2,25,47,550 Equity Shares of ₹ 10/- each.

### Extract of Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website on <https://iitlgroup.com/newStatic/Reports/Annual-Return-2022-23.pdf>

### Compliance with Secretarial Standards

The Board of Directors affirm that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (SS1 and SS2 respectively) relating to Meetings of the Board and its Committees which have mandatory application.

### Consolidated Accounts

The Consolidated Financial Statements of your Company for the financial year 2022-23, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and the Listing Regulations. The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, its subsidiaries, associate and joint venture companies, as approved by their respective Board of Directors.

### Subsidiary, Associate and Joint Venture Companies

Pursuant to sub-section (3) of Section 129 of the Act, the statement containing the salient features of the financial statement of company's subsidiaries, associate and joint venture entities of the subsidiary company is given as **Annexure 1**.

Brief particulars about the business of each of the Subsidiaries and Joint Venture / Associate Companies is given hereunder:-

#### Subsidiary Companies:

##### a. IIT Investrust Limited (IITIL)

The subsidiary company, IITIL was into Stock Broking and Depository business. In June 2019, IITIL had applied for Surrender of membership of Stock Broking business and Depository Participant business. Upon surrender, IITIL ceased to be the Stock Broker as well as Depository Participant. Besides that, IITIL is into the business of providing Advisory and Consultancy services to Body Corporates.

The total income of the subsidiary company for the year ended on March 31, 2023 is ₹ 40.50 lakhs as compared to ₹ 37.85

lakhs in the previous year. The pre-tax loss for the year ended March 31, 2023 is ₹ 503.34 lakhs as against the pre-tax profit of ₹ 16.24 lakhs for the preceding year. The Pre-Tax loss in the current year is majorly because of fair value change in the investment in preference shares of the World Resorts Limited.

##### b. IITL Projects Limited - (IITLPL)

IITLPL is listed on BSE Limited.

IITLPL is engaged in Real Estate business, construction of residential complex in the National Capital Region (NCR). It has acquired a plot of land on long term lease, under Builders Residential Scheme (BRS) of the Greater Noida Industrial Development Authority (GNIDA).

Apart from constructing its own project, IITLPL is also engaged in construction of residential flats through Special Purpose Vehicles (SPVs) and these SPVs have been allotted plots of land on long term lease, under Builders Residential Scheme (BRS) of the New Okhala Industrial Development Authority (NOIDA) and Yamuna Expressway Authority (YEA). The total lease hold area allotted to the Company alongwith SPVs is around 2,65,000 sq. meters and the projects are under various stages of construction.

Projects developed by the Company:

**Express Park View I:** This project is completed and most of the flats have been allotted to the buyers.

Projects being developed by the Company jointly with SPVs:

- 1) **The Hyde Park**
- 2) **The Golden Palms**
- 3) **Express Park View-II:**

The firm has obtained completion certificate for 7 of the 10 towers under construction in Phase I. For the remaining three towers, Firm has already applied for Completion Certificate. The Project comprises of total no. of 1320 flats out of which 1199 flats has been sold out till March, 2023.

It has also completed the construction of a commercial complex containing 39 units, in Phase II in the name of "The Park Street" which are 100% sold out till March 31, 2023. The Firm has already applied for Completion Certificate for the same with the GNIDA.

The Firm has undertaken construction of low rise apartments, as Phase III, under the name and style of THE EXPRESS PARK VIEW-II LOW RISE APARTMENTS". It is proposed to construct 310 flats in 16 towers (G+4). The RERA registration is complete and the construction work has begun.

- 4) **The Golden Palm Village:**

Yamuna Expressway Industrial Development Authority ("YEIDA") has handed over the physical possession of plot admeasuring 47,776.52 sq.mtrs to the firm. The firm has finalized the lay out plan of its upcoming Group Housing Project to be launched in the name of "THE PALM VILLAGE-

AEROCITY” consisting of total 702 studio apartments, 376 low rise apartments and 44 commercial apartments.

The Total Income of IITL Projects for the year ended on March 31, 2023 is ₹ 729.26 lakhs as compared to ₹ 1,971.10 lakhs in the previous year. Decrease in total income is on account of reduction of share of profit from joint venture partnership firms compared to previous year.

On consolidated basis, the income of the Company increased to ₹ 148.86 lakhs as compared to ₹ 122.95 lakhs in the previous year and loss before tax accounted to ₹ 298.83 lakhs in the current year as compared to previous year profit of ₹ 1,065.71 lakhs. The reason for change in profit (loss) before tax is impairment provision made for one of the SPVs and reduction of share of profit from joint venture partnership firms compared to previous year.

**c. IITL Management and Consultancy Private Limited (formerly known as IIT Insurance Broking and Risk Management Private Limited)**

The subsidiary company, IIT Insurance Broking and Risk Management Private Limited (IIT Insurance) was in the business of Direct Insurance Broking (Life and Non-Life). During the year 2019-20, IIT Insurance had applied to Insurance Regulatory and Development Authority of India (IRDAI) for voluntary surrender of the Broking License (Life and Non-Life). IRDAI vide its letter dated June 17, 2021 granted approval for voluntary surrender of Certificate of Registration.

Subsequently, IIT Insurance changed its name to IITL Management and Consultancy Private Limited and also changed its Object Clause. The same were approved by Ministry of Corporate Affairs. Consequent to this, IIT Insurance ceased to be an Insurance Broker.

The subsidiary company's total revenue for the financial year ended March 31, 2023 is ₹ 8.28 lakhs comprising Interest on Bank Deposits of ₹ 8.14 lakhs and other Income of ₹ 0.14 lakhs as compared to the total revenue of ₹ 8.48 lakhs during the previous year. The pre-tax loss for the year ended March 31, 2023 is ₹ 3.91 lakhs as against the pre-tax profit of ₹ 4.61 lakhs for the preceding year.

**d. IITL Corporate Insurance Services Private Limited (IITL Corporate Insurance)**

IITL Corporate Insurance Services Private Limited (IITL Corporate Insurance) was incorporated in the year 2014. The Company did not commence any business and applied to Ministry of Corporate Affairs for removal of its name from the Register of Members. IITL Corporate Insurance Services Private Limited has been struck off from the Register of Companies w.e.f. August 23, 2021 and the Company stands dissolved.

**Joint Venture / Associate Companies:**

**a. Future Generali India Life Insurance Company Limited (FGILICL), a Joint Venture:**

In the year 2013, the Company had made an investment of ₹ 340 Crores in Future Generali India Life Insurance Company Limited to acquire 22.5% of its equity capital. Subsequent to the acquisition, FGILICL became a joint venture of the Company.

FGILICL made several Rights Issues. The Company did not participate in any of the Rights Issue, due to which the company's stake reduced to 16.62%. Since couple of years, the Company had been exploring to divest its stake in FGILICL. In December 2021, the Company received offer from Generali Participations Netherlands N.V. (Generali), one of the Joint Venture partners of FGILICL, to acquire Equity holding of 16.62% (equivalent to 32,67,00,000 equity shares) at a total consideration of ₹ 225 crores. On December 18, 2021, the Company entered into Share Purchase Agreement with Generali.

Upon receiving approvals from Insurance Regulatory and Development Authority of India (IRDAI), Registrar of Companies, Competition Commission of India (CCI), Reserve Bank of India, Shareholders and all other statutory / regulatory authorities, the transaction was consummated on March 28, 2022.

**b. World Resorts Limited (WRL), an Associate Company:**

WRL is into the business of hospitality and owns and operates a Deluxe Five Star Resort by the name “Golden Palms Hotel & Spa”, Off. Tumkur Road, Bangalore.

The hospitality industry were hard-hit by COVID-19. WRL also incurred immense losses in the last couple of years.

**Internal financial controls and their adequacy**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

M/s Sheetal Patankar & Co., Chartered Accountants, a consulting / audit firm were appointed for determining the adequacy and operating effectiveness of the existing Internal Financial Controls over Financial Reporting of the Company on behalf of the management.

They have observed that there are no material weaknesses in the financial controls of the Company. Based on the above, management believes that adequate internal financial controls exist in relation to its Financial Statements. The operating staff are complying with the requirements.

**Directors and Key Managerial Personnel**

There was no change in Directorship during the year under review.

As on date, Dr. Bidhubhusan Samal, Mr. Bipin Agarwal, Mr. Venkatesan Narayanan, Mr. Milind Desai, Ms. Sujata Chattopadhyay and Mr. Shankar Narayan Mokashi are the Directors of the Company.

### Appointment

Based on the recommendation of the Nomination and Remuneration Committee and approval of Audit Committee, the Board of Directors appointed Mr. Ajit Kumar Mishra as Group Chief Financial Officer of the Company as well as designated him as “Key Managerial Personnel” (KMP), pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, w.e.f. February 17, 2023.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Mr. Rajev Adlakha as Chief Executive Officer - NBFC Operations of the Company as well as designated him as “Key Managerial Personnel” (KMP), pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, w.e.f. February 14, 2023.

### Re-appointment of Director retiring by rotation

In terms of the provisions of the Act, Mr. Shankar Narayan Mokashi, Director retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment.

The necessary resolution for re-appointment of Mr. Shankar Narayan Mokashi forms part of the Notice convening the Annual General Meeting scheduled to be held on September 22, 2023. The profile and particulars of experience that qualify Mr. Shankar Narayan Mokashi for Board membership, are disclosed in the said Notice.

### Resignation

Mr. Kamlesh Agrawal tendered his resignation from the post of Chief Financial Officer and KMP of the Company from the close of the business hours on February 16, 2023.

Mr. Ajit Kumar Mishra tendered his resignation from the post of Chief Financial Officer and KMP of the Company with effect from the close of the business hours on September 25, 2023.

### Key Managerial Personnel

In terms of Section 203 of the Act, the Key Managerial Personnel of the Company are Dr. Bidhubhusan Samal, Executive Chairman, Mrs. Cumi Banerjee, Chief Executive Officer (Secretarial, Legal and Admin) and Company Secretary, Mr. Ajit Kumar Mishra, Group Chief Financial Officer and Mr. Rajev Adlakha, Chief Executive Officer - NBFC Operations.

### Familiarisation Programme

The Company conducts suitable familiarisation programme for Independent Directors so as to associate themselves with the nature of the industry in which the Company operates and business model of the Company in addition to regular presentations on financial statements and other relevant data. In addition to the above, Directors are periodically advised about the changes effected in the Corporate Law, Listing regulations and RBI regulations with regard to their roles, rights and responsibilities as Directors of the Company.

The details of the familiarisation programme have been disclosed and updated from time to time on the Company's website and its weblink is <http://www.iitlgroup.com/newStatic/AboutUs.aspx>.

### Meetings of the Board

Seven meetings of the Board of Directors were held during the year. For further details, please refer Report on Corporate Governance.

### Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief, make following statements that:

- (a) In preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) Such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2023 and profit of the Company for the year ended on that date;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) The proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively;
- (f) The systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### Corporate Governance

Your Company has been practicing the principles of good Corporate Governance over the years and it is a continuous and ongoing process. A detailed Report on Corporate Governance practices followed by your Company as prescribed by SEBI in Chapter IV read with Schedule V of Listing Regulations together with a Certificate from M/s Chandanbala Jain & Associates, Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance are provided separately in this Annual Report.

### Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company, confirming that, they meet the criteria of independence as prescribed both under Section 149(7) of the Companies Act, 2013 and Regulation 16(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Independent Directors of the Company have registered themselves with Indian Institute of Corporate Affairs for empanelment in the databank of Independent Directors.

### Policy on appointment and remuneration for Directors, Key Managerial Personnel and senior management employees

The Board of the Directors has framed the policy which lays down a framework in relation to Remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The Nomination and Remuneration Policy is uploaded on the Company's weblink viz. [http://www.iitlgroup.com/newStatic/Nomination\\_Remuneration\\_Policy.pdf](http://www.iitlgroup.com/newStatic/Nomination_Remuneration_Policy.pdf).

The Company has formulated a Succession Planning Policy for Directors and Key Senior management of the Company for continuity and smooth functioning of the Company.

### Related Party Transactions

The Company has laid down a Related Party Transaction (RPT) Policy for purpose of identification and monitoring of such transactions. The policy on Related Party Transaction as approved by the Board is uploaded on the Company's weblink viz. [http://www.iitlgroup.com/newStatic/POLICY\\_on\\_materiality\\_of\\_Related\\_Party\\_Transactions\\_Aug\\_2023.pdf](http://www.iitlgroup.com/newStatic/POLICY_on_materiality_of_Related_Party_Transactions_Aug_2023.pdf)

All Related Party Transactions are placed before the Audit Committee and also the Members / Board for their approval, wherever necessary.

The details of the related party transactions as per Indian Accounting Standard 24 are set out in Note 36 to the Standalone Financial Statements forming part of this report.

All RPTs entered during the financial year by the Company are in ordinary course of business and on an arms' length basis. Particulars of material contracts or arrangements made with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as **Annexure 2** to the Directors' Report.

### Corporate Social Responsibility (CSR)

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy is disclosed on the Company's website [http://www.iitlgroup.com/newStatic/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://www.iitlgroup.com/newStatic/Corporate_Social_Responsibility_Policy.pdf)

The provisions relating to CSR enumerated under Section 135 of the Companies Act, 2013 are not applicable to the Company during the year under review. Hence, the Annual Report on CSR is not attached to this Report.

However, the applicable provisions will be complied within the next financial year 2023-2024 as per the eligibility.

### Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Chandanbala Jain & Associates, Practicing Company Secretaries (CP No. 6400), to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as **Annexure 3** and forms an integral part of this report. The Secretarial Audit Report does

not contain any qualifications or reservations. The observations made in the report are self-explanatory.

### Annual Secretarial Compliance Report

M/s. Chandanbala Jain & Associates, Practicing Company Secretaries (CP No. 6400) have submitted Annual Secretarial Compliance Report for the financial year 2022-23 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars / Guidelines issued thereunder and the same was submitted to stock exchanges within the permissible time limit.

### Particulars of Loans given, Investments made, Guarantees given and Securities provided

The provisions of Section 186 of the Act pertaining to investment and lending activities is not applicable to the Company, since the Company is a Non-Banking Financial Company whose principal business is acquisition of securities.

Details of guarantees and/or security in connection with loans to other bodies corporates or persons as covered under the provisions of Section 186 of the Act, are given in the Notes to the Financial Statements.

### Capital Adequacy Ratio

Your Company's Capital to Risk Assets Ratio (CRAR) calculated in line with Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions") stood at 769.00% above the regulatory minimum of 15%. Your Company's asset size is ₹ 360.03 crores. The Company has received a certificate from the Auditors of the Company, Maharaj N R Suresh and Co LLP, Chartered Accountants, pursuant to Non-Banking Financial Companies Auditors' Report (Reserve Bank of India) Directions, 2008 confirming compliance of the conditions with respect to Systemically Important Non-Deposit taking Non-Banking Financial Companies.

### Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) Conservation of energy: Not Applicable

(B) Technology absorption: Not Applicable

(C) Foreign exchange earnings and Outgo: During the year under review, the Company did not earn income in foreign exchange as well as did not incur any expenditure in foreign exchange.

### Risk Management

The Company has formulated a Risk Management Policy. The Company has formed a separate Risk Management Committee which identifies, evaluates, analyses and prioritise risks in order to address and minimize such risks. This facilitates identifying high level risks and implement appropriate solutions for minimizing the impact of such risks on the business of the Company. The Committee submits its recommendations and comments for Board's



review and necessary action.

### **Vigil Mechanism / Whistle Blower Policy**

The Company has a Vigil Mechanism / Whistle Blower Policy to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. The details of the Vigil Mechanism policy have been provided in the Corporate Governance Report and also disclosed on the website of the Company viz

[http://www.iitlgroup.com/newStatic/Vigil\\_Mechanism\\_Whistle\\_Blower\\_Policy.pdf](http://www.iitlgroup.com/newStatic/Vigil_Mechanism_Whistle_Blower_Policy.pdf)

### **Evaluation of the Board, its Committees and individual Directors**

The Nomination and Remuneration Policy of the Company empowers the Nomination and Remuneration Committee to formulate a process for evaluating the performance of Directors, Committees of the Board and the Board as a whole.

The process for evaluation of the performance of the Director(s) / Board / Committees of the Board for the financial year 2022-2023 was initiated by the Nomination and Remuneration Committee, by sending out questionnaires designed for the performance evaluation of the Directors, Committees, Chairman and the Board as a whole. The Committee also forwarded their inputs to the Board for carrying out the Performance Evaluation process effectively.

In terms of provisions of Companies Act, 2013 and Schedule II - Part D of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out the annual performance evaluation of its own including the various Committees and individual Directors with a detailed questionnaire covering various aspects of the Boards functioning like, composition of Board and its Committees, Board culture, performance of specific duties and obligations.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated. Based on the feedback received from the Independent Directors and taking into account the views of Executive Directors and the Non-Executive Directors, the Board evaluated its performance on various parameters such as composition of Board and its committees, experience and competencies, performance of duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues, effectiveness of flow of information.

### **Auditors and Auditors' Report**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, Maharaj N R Suresh and Co LLP, Chartered Accountants, registered with the Institute of Chartered Accountants of India under Firm registration No. ICAI FRN No. 001931S / S000020, have been appointed as the Statutory Auditors of the Company for a term of five years starting from the conclusion of 89<sup>th</sup> Annual General Meeting held on September 24, 2022 till the conclusion of the 94<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027.

Maharaj N R Suresh and Co LLP, Chartered Accountants, have carried out Statutory Audit and the Notes on financial statement referred to in the Auditors' Report issued by them are self-explanatory and hence do not call for any further comments under Section 134 of the Act. However, the Auditors' Report on the Audited Financial Results (Standalone and Consolidated) contains audit qualifications, as detailed hereunder:

### **Details of Audit Qualification (Standalone):**

The subsidiary IITL Projects Limited being a listed entity has made provision for differences in the quoted fair value of the investments and its carrying amount in the books of the Company as required by Ind AS 27 read with Ind-AS 113. However, as stated in note no 3(i) of the Statement regarding investment in its subsidiary IITL Projects Limited, the financials result of the subsidiary have been prepared on a going concern basis, although the subsidiary company is incurring continuous losses and its net worth is negative as on March 31, 2023. In view of the adverse cash flows of the Joint Ventures (JVs) namely IITL Nimbus, The Hyde Park Noida, IITL-Nimbus The Express Park View, IITL- Nimbus The Palm Village and Capital Infra Projects Limited their ability to continue as a going concern is doubtful. Based on the financial statement of joint venture as well as estimated cash flow, the investment in three joint ventures namely IITL-Nimbus Express Park View, IITL -Nimbus The Hyde Park and Capital infra Projects are fully impaired and recognised. Further as at March 31, 2023, the accumulated losses of subsidiary is ₹ 6,047.06 lakhs exceeds the paid up equity capital and accordingly the net worth of the Subsidiary stands fully eroded. The current liabilities of the Company exceeds its current assets and non-current liabilities dues towards redeemable preference shares is more than the estimated realizable value of the other non-current assets. These conditions indicate the existence of uncertainty that may cast significant doubt on the Subsidiary ability to continue as a going concern. The ultimate outcome of the above is not ascertainable at present and hence we are unable to comment on the consequential impact, if any on the accompanying Financial Statements.

### **Management's Views:**

The Management is seized of the matter that the net worth of the subsidiary company is completely eroded. In the light of the above, the subsidiary Company is exploring options to infuse funds or exiting loss making JVs to reduce any further losses. One of the JVs, IITL Nimbus Palm Village has commenced its Project and the Management is closely monitoring the development of the same and its impact on the cash flows. One of the JVs, IITL Nimbus The Express Park View projects is under progress and its cash flow will depend upon the market condition.

The ultimate outcome of the above is not ascertainable at present and hence we are unable to estimate the impact.

### **Details of Audit Qualification (Consolidated):**

The subsidiary being a listed entity the company made provision for differences in the quoted fair value of the investments and its carrying amount in the books of the Company as required by Ind AS 27 read with Ind-AS 113. However, as stated in note no 3(i) of the Statement regarding investment in its subsidiary IITL Projects Limited. The financials result of the subsidiary have been prepared

on a going concern basis, although the subsidiary company is incurring continuous losses and its net worth is negative as on March 31, 2023. In view of the adverse cash flows of the Joint Ventures (JVs) namely IITL-Nimbus, The Hyde Park Noida, IITL-Nimbus The Express Park View, IITL- Nimbus The Palm Village and Capital Infra Projects Limited their ability to continue as a going concern is doubtful. Based on the financial statement of joint venture as well as estimated cash flow, the investment in three joint ventures namely IITL-Nimbus Express Park View, IITL -Nimbus The Hyde Park and Capital infra Projects are fully impaired and recognised. Further as at March 31, 2023 the accumulated losses of subsidiary ₹ 6,079.83 lakhs exceeds the paid up equity capital and the net worth of the Subsidiary stands fully eroded. The current liabilities of the Company, exceeds its current assets and non-current liabilities dues towards redeemable preference shares is more than the estimated realizable value of the other non-current assets. These conditions indicate the existence of uncertainty that may cast significant doubt on the Subsidiary ability to continue as a going concern. The ultimate outcome of the above is not ascertainable at present and hence we are unable to comment on the consequential impact if any on the accompanying Financial Statements

#### Management's Views:

The Management is seized of the matter that the net worth of the subsidiary company is completely eroded. In the light of the above, the subsidiary Group is exploring options to infuse funds or exiting loss making JVs to reduce any further losses. One of the JVs, IITL Nimbus Palm Village has commenced its Project and the Management is closely monitoring the development of the same and its impact on the cash flows. One of the JVs, IITL Nimbus The Express Park View projects is under progress and its cash flow will depend upon the market condition.

The ultimate outcome of the above is not ascertainable at present and hence we are unable to estimate the impact.

#### Significant and material orders passed by the regulators

During the period under review, there were no significant and material orders passed by the regulators/ courts or tribunals that would impact going concern status of the Company and its future operations.

#### Transfer of Dividend amounts to Investor Education and Protection Fund

In terms of Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, a sum of ₹ 3,92,808/- lying with the Company as unclaimed dividend for the year 2014 - 2015 i.e. for a period of seven years from the date they became due for payment, were transferred during the period under review to the Investor Education and Protection Fund.

Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has filed the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2022 with the Ministry of Corporate Affairs and have uploaded the said details on the website of the Company viz. [www.iitlgroup.com](http://www.iitlgroup.com) and the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).

#### Transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Account on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more

According to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred 26,773 Equity shares to IEPF account as per the requirements of the IEPF rules. The details are available on our website, at [https://iitlgroup.com/newStatic/Reports/Equity\\_shares\\_of\\_last\\_seven\\_consecutive\\_years\\_transferred-to-IEPF-on-or-before-October%2022.2022.pdf](https://iitlgroup.com/newStatic/Reports/Equity_shares_of_last_seven_consecutive_years_transferred-to-IEPF-on-or-before-October%2022.2022.pdf)

#### Particulars of Employees and related disclosures

A) Details of the ratio of the remuneration of each Director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2022-23 (in ₹)	% increase / (decrease) in Remuneration in the financial year 2022-23 <sup>^</sup>	Ratio of remuneration of each Director / to median remuneration of employees
1	Dr. Bidhubhusan Samal, Executive Chairman	35,16,000/-	(22.28%)	5.76
2	Mr. Bipin Agarwal, Non-Executive Director	3,00,000 (Sitting fees)	0%	0.49
3	Mr. Venkatesan Narayanan, Independent Director	8,70,000 (Sitting fees)	20.83%	1.42
4	Ms. Sujata Chattopadhyay	2,40,000 (Sitting fees)	0%	0.39
5	Mr. Milind S. Desai	5,70,000 (Sitting fees)	(5.00%)	0.93
6	Mr. Shankar Narayan Mokashi (LIC Nominee), Non-Executive Director	7,20,000 (Sitting fees)	60.00%	1.18
7	Ms. Cumi Banerjee, CEO (Secretarial, Legal & Admin) & Company Secretary	38,63,998	(1.69%)	6.33
8	Mr. Ajit Kumar Mishra, Group Chief Financial Officer #	2,85,714	Not Applicable	0.47
9	Mr. Rajev Adlakha, Chief Executive Officer - NBFC Operations @	6,14,285	Not Applicable	1.01
10	Mr. Kamlesh Kumar Agrawal, Group Chief Financial Officer \$	19,99,180	Not Applicable	3.27

# Remuneration not comparable since Mr. Ajit Kumar Mishra was appointed as Group Chief Financial Officer by Board w.e.f. February 17, 2023 and hence his remuneration is for part of the year 2022-23

@ Remuneration not comparable since Mr. Rajev Adlakha was appointed as Chief Executive Officer - NBFC Operations by Board

w.e.f. February 14, 2023 and hence his remuneration is for part of the year 2022-23

\$ Remuneration not comparable since Mr. Kamlesh Kumar Agrawal resigned as Group Chief Financial Officer w.e.f. February 16, 2023 and hence his remuneration is for part of the year 2022-23

^(i) On account of financial position of the Company, the Executive Chairman voluntarily relinquished 50% of his salary w.e.f. October 01, 2021. Hence, there is a substantial decrease in % increase / (decrease) in Remuneration in the financial year 2022-23.

(ii) The remuneration of the Non-Executive Directors consists of sitting fees only and Increase in remuneration is based on various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, etc.

Note: The remuneration to Directors includes sitting fees paid to them for the financial year 2022-23.

Notes:-

- i) Median remuneration of employees of the Company during the financial year 2022-2023 was ₹ 6,10,896/-.
- ii) Median remuneration of employees of the Company during the financial year 2021-2022 was ₹ 5,58,072/-. In the financial year, there was an increase of 9.47% in the median remuneration of employees.
- iii) There were 12 confirmed employees on the rolls of the Company as on March 31, 2023.
- iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-23 was 11.69% whereas the increase in the managerial remuneration for the same financial year was 5.35%. (This excludes the salaries of the newly joined and resigned employees during the same financial year).
- v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

B) Details of every employee of the Company as required pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

During the year under consideration, none of the employees of the company was in receipt of remuneration in excess of limits prescribed under clause 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence particulars as required under 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have not been provided.

## GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme
3. Details relating to deposits covered under Chapter V of the Act.
4. The provisions of Section 148 of the Act are not applicable to the Company. Accordingly, there is no requirement of maintenance of cost records as specified under Section 148(1) of the Act.
5. No fraud has been reported by the Auditors to the Audit Committee or the Board.
6. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

## Public Deposits

During the year under review, the Company has not accepted any deposits from the public.

## Disclosures under Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Complaints Committee (ICC) has been set up to redress complaints. ICC has not received any complaints during the financial year 2022-2023.

## Acknowledgement

Your Directors place on record their appreciation for employees, who have contributed to the growth and performance of your Company.

Your Directors thank the Reserve Bank of India (RBI), Bankers, Shareholders and Advisors of the Company for their continued support.

Your Directors also thank the Central and State Governments and other statutory authorities / regulators for their continued support.

For and on behalf of the Board  
Industrial Investment Trust Limited

**Dr. Bidhubhusan Samal**  
Chairman  
(DIN: 00007256)

Date : August 18, 2023  
Place : Mumbai

**Annexure 1**

**AOC - 1**

**(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules 2014  
Statement containing salient features of the financial statement of subsidiaries/  
Associate companies/ joint ventures**

**Part "A": Subsidiaries**

(Amount in ₹)

Name of the subsidiary	IITL Projects Limited (Consolidated)*	IIT Investtrust Ltd	IITL Management and Consultancy Private Limited (Formerly known as IIT Insurance Broking & Risk Management Private Limited)
1. The date since when subsidiary was acquired	August 04, 2008	December 31, 1992	September 25, 2008
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2023	March 31, 2023	March 31, 2023
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
4. Share capital	50,079,000	125,000,000	25,000,000
5. Reserves & surplus	(607,983,040)	(42,051,860)	(12,630,560)
6. Total assets	273,584,200	83,268,100	27,233,940
7. Total Liabilities	831,488,240	319,960	14,864,500
8. Investments	220,246,040	760,200	-
9. Turnover	14,885,950	4,050,210	827,950
10. Profit before taxation	(29,883,250)	(50,336,070)	(390,880)
11. Tax Expenses	37,910	(1,680)	18,270
12. Profit after taxation	(29,921,160)	(50,334,390)	(409,150)
13. Total Comprehensive Income	(29,948,580)	(50,326,230)	(409,150)
14. Proposed Dividend	-	-	-
15. % of shareholding	71.74%	99%	100%

\* Refers to amounts from consolidated financial statements of IITL Projects Limited.

The following information shall be furnished:-

1. **Names of subsidiaries which are yet to commence operations - Nil**

**Part "B": Associates and Joint Ventures**

(Amount in ₹ except shareholding)

Name of Associates/Joint Ventures	World Resorts Limited (Associate)
1. Latest audited Balance Sheet Date	March 31, 2023
2. Date on which the Associate or Joint Venture was associated or acquired	August 28, 2012
3. Shares of Associate/Joint Ventures held by the company on the year end	March 31, 2023
No. of shares held	Equity - 13,018,125 Preference - 10,000,000
Amount of Investment in Associates/Joint Venture	Equity - 155,181,250 Preference - 423,400,000
Extent of Holding %	24.62%
4. Description of how there is significant influence	By way of Share Capital (Associate Company)
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	(68,632,000)
7. Total Comprehensive income for the year	
i. Considered in Consolidation	Nil
ii. Not Considered in Consolidation	(16,897,198)

The following information shall be furnished:-

1. **Names of associates or joint ventures which are yet to commence operations : Nil**  
2. **Names of associates or joint ventures which have been liquidated or sold during the year : Nil**

**Dr. Bidhubhusan Samal**  
Chairman

**Bipin Agarwal**  
Director

Place : Mumbai  
Date : August 18, 2023

**Cumi Banerjee**  
CEO (Secretarial, Legal and Admin) & Company Secretary

**Ajit Kumar Mishra**  
Group CFO

## Annexure 2

### AOC - 2

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis for the year ended March 31, 2023 - NIL
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts / arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) Date(s) of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2023 -

**(i) IITL-Nimbus The Palm Village**

Sl. No.	Particulars	Description
1.	Name(s) of the related party	IITL-Nimbus The Palm Village
2.	Nature of relationship	An entity under Significant Influence
3.	Nature of contracts / arrangements / transactions	One Time Settlement
4.	Duration of the contracts / arrangements / transactions	One Time
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	One Time Settlement of the total outstanding loan as on date of ₹ 3,00,00,000/- granted by the Company to IITL-Nimbus The Palm Village as well as outstanding interest thereon. The details are provided hereunder: 1. The firm will repay the loan on or before March 31, 2023 2. The entire amount of accrued interest outstanding upto September 30, 2022 to be waived off. The firm will not be in a position to pay any interest. 3. The amount of interest payable from 01.10.2022 to 31.03.2023 also to be waived off. 4. The firm has reiterated their commitment to remit the outstanding principal amount.
6.	Date(s) of approval by the Board, if any	November 14, 2022
7.	Amount paid as advances, if any	NIL

**(ii) IITL-Nimbus The Express Park View (EPV II)**

Sl. No.	Particulars	Description
1.	Name(s) of the related party	IITL-Nimbus The Express Park View (EPV II)
2.	Nature of relationship	An entity under Significant Influence
3.	Nature of contracts / arrangements / transactions	One Time Settlement
4.	Duration of the contracts / arrangements / transactions	One Time
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	One Time Settlement of the total outstanding loan (including Funded Interest Term Loan of ₹ 1,57,64,090/-) of ₹ 24,77,51,455/- granted by the Company to IITL-Nimbus The Express Park View (EPV II) and interest outstanding thereon amounting to ₹1,411.57 lakhs, as under: 1. To waive the total outstanding interest amount of ₹14,11,57,242/- as on June 30, 2022 and all future interest amount thereafter upto December 31, 2022. 2. The Firm will repay the outstanding loan on or before December 31, 2022. 3. The Firm reiterates their commitment to remit the outstanding loan amount. 4. In the unlikely scenario of the amount not being remitted by December 31, 2022, the Firm will without any further request or extension, transfer the flats of equivalent of outstanding loan amount, with completion certificates obtained and facilitate registration of the same. In such eventuality, no maintenance charges will be levied on the flats until the time they are sold or for a period of 12 months ending December 31, 2023 whichever is earlier.
6.	Date(s) of approval by the Board, if any	June 27, 2022
7.	Amount paid as advances, if any	NIL

**(iii) IITL-Nimbus The Hyde Park**

Sl. No.	Particulars	Description
1.	Name(s) of the related party	IITL-Nimbus The Hyde Park
2.	Nature of relationship	An entity under Significant Influence
3.	Nature of contracts / arrangements / transactions	One Time Settlement
4.	Duration of the contracts / arrangements / transactions	One Time
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	One Time Settlement of the total outstanding loan of ₹16,27,94,964/- granted by the Company to IITL-Nimbus The Hyde Park, Noida and interest outstanding thereon amounting to ₹ 263.71 lakhs, as under: 1. To waive the total outstanding interest amount of ₹ 2,63,71,000/- as on June 30, 2022 and all future interest amount thereafter upto December 31, 2022. 2. The Firm will repay the outstanding loan on or before December 31, 2022. 3. The Firm reiterates their commitment to remit the outstanding loan amount. 4. In the unlikely scenario of the amount not being remitted by December 31, 2022, the Firm will without any further request or extension, transfer the flats of equivalent of outstanding loan amount, with completion certificates obtained and facilitate registration of the same. In such eventuality, no maintenance charges will be levied on the flats until the time they are sold or for a period of 12 months ending December 31, 2023 whichever is earlier.
6.	Date(s) of approval by the Board, if any	June 27, 2022
7.	Amount paid as advances, if any	NIL

#### (iv) Systematix Corporate Services Limited

Sl. No.	Particulars	Description
1.	Name(s) of the related party	Systematix Corporate Services Limited
2.	Nature of relationship	Deemed to be a Related Party of the Company since it is a group entity of the Systematix Group which holds more than 10% shareholding in the Company as per the revised definition of "related party" given under regulation 2(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3.	Nature of contracts / arrangements / transactions	Space Sharing Agreement
4.	Duration of the contracts / arrangements / transactions	11 months
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	Renewal of Space Sharing Agreement with Systematix Corporate Services Limited for occupying the allotted area admeasuring 1350 sq. ft carpet area of our office premises on 1st floor of The Capital Building, Office no.101A, G-Block, Plot no.C-70 Bandra Kurla Complex, Bandra (East) Mumbai - 400 051, for a further period of 11 months w.e.f. April 01, 2023 at a rent of Rs. 3,61,000/- per month plus GST and 1/3rd of the total maintenance charges which includes house-keeping, BTU and electricity charges with a Lock-in period of 3 months (April – June 2023) and 1 month notice period.
6.	Date(s) of approval by the Board, if any	February 14, 2023
7.	Amount paid as advances, if any	NIL

#### (v) IIT Investrust Limited

Sl. No.	Particulars	Description
1.	Name(s) of the related party	IIT Investrust Limited
2.	Nature of relationship	Subsidiary of the Company
3.	Nature of contracts / arrangements / transactions	Renting arrangement
4.	Duration of the contracts / arrangements / transactions	From FY 2022-23 to FY 2026-27 i.e., five financial years
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	Renting of the company's office premises situated at Office no.101A, The Capital, G-Block, Plot No.C-70, Bandra Kurla Complex, Bandra (East), Mumbai 400051 or any other suitable premises in Mumbai, to its subsidiary, IIT Investrust Limited with effect from April 01, 2022 on payment of rent and reimbursement of expenses upto the maximum limits as set out in the table approved by the Board of Directors.
6.	Date(s) of approval by the Board, if any	August 13, 2022
7.	Amount paid as advances, if any	NIL

**(vi) IITL Projects Limited**

Sl. No.	Particulars	Description
1.	Name(s) of the related party	IITL Projects Limited
2.	Nature of relationship	Subsidiary of the Company
3.	Nature of contracts / arrangements / transactions	Renting arrangement
4.	Duration of the contracts / arrangements / transactions	From FY 2022-23 to FY 2026-27 i.e., five financial years
5.	Salient terms of the contracts or arrangements or transactions including the value, if any	Renting of the company's office premises situated at Office no.101A, The Capital, G-Block, Plot No.C-70, Bandra Kurla Complex, Bandra (East), Mumbai 400051 or any other suitable premises in Mumbai, to its subsidiary, IITL Projects Limited with effect from April 01, 2022 on payment of rent and reimbursement of expenses upto the maximum limits as set out in the table approved by the Board of Directors.
6.	Date(s) of approval by the Board, if any	August 13, 2022
7.	Amount paid as advances, if any	NIL

For and on behalf of the Board  
**Industrial Investment Trust Limited**

**Dr. Bidhubhusan Samal**  
Chairman  
(DIN: 00007256)

Date : August 18, 2023  
Place : Mumbai



**Annexure 3**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,  
**Industrial Investment Trust Limited**  
Office No. 101 A, The Capital,  
G-Block, Plot No. C-70,  
Bandra Kurla Complex,  
Bandra (East), Mumbai-400051.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "INDUSTRIAL INVESTMENT TRUST LIMITED" (CIN: L65990MH1933PLC001998) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 ("the Audit Period") complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by INDUSTRIAL INVESTMENT TRUST LIMITED for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the company during the Audit Period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the company during the Audit Period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during the Audit Period)
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the Audit period) and
  - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

(vi) Apart from the above, we have relied on the representation made by the company through its officers for systems and mechanisms formed by the company for compliance of the following specific applicable laws:

(a) The Reserve Bank of India Act, 1934 and all applicable Laws, Rules, Regulations, Guidelines, Circulars, Notifications, etc.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 & SS-2).
- (ii) The Listing Agreements entered into by the company with the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSEIL).

**We report that**, during the audit period, to the best of our knowledge and belief and according to the information and explanations given to us, the company has been generally regular in compliance with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

**We further report that**

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the financial year under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**We further report that** based on the information provided by the company, its officers and authorized representatives during the conduct of the audit, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines including labour laws viz. Employees Provident Fund and Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948 and The Payment of Gratuity Act, 1972.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period,

The Members through Postal Ballot, vide an Ordinary Resolution passed on January 10, 2023 granted their approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IITL-Nimbus The Palm Village.

For **Chandanbala Jain and Associates**  
Practicing Company Secretaries

Chandanbala O. Mehta  
Proprietor  
FCS: 6122  
C.P.No.: 6400  
PR: 1517/2021

Place: Mumbai

Date: August 18, 2023

**UDIN: F006122E000825149**

**Note: This report is to be read with our letter of even date which is annexed herewith and forms an integral part of this report.**

**Annexure to Secretarial Audit Report**

The Members,  
**Industrial Investment Trust Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Industrial Investment Trust Limited" (CIN: L65990MH1933PLC001998) (the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon. Further, our Secretarial Audit Report of even date is to be read along with this Annexed letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. Further, our audit report is limited to the verification and reporting on the statutory compliances on laws/regulations/guidelines listed in our report and the same pertain to the financial year ended on March 31, 2023. Our reporting does not include on statutory compliances whose dates are extended by Ministry of Corporate Affairs/SEBI, as the case may be, from time to time and accordingly such extended time limits remain beyond the date of our audit report.

**For Chandanbala Jain and Associates**  
Practicing Company Secretaries

Chandanbala O. Mehta  
Proprietor  
FCS: 6122  
C.P.No.: 6400  
PR: 1517/2021

Place: Mumbai  
Date: August 18, 2023  
**UDIN: F006122E000825149**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### GLOBAL ECONOMIC SCENARIO:

The year 2022-23 was a turbulent and most challenging year for the global economy in general and the banking industry. The global economy was on the path of recovery after waning of the COVID-19 pandemic until the Russia-Ukraine conflict broke out in February 2022. The conflict further disrupted the global supply chains and led to a spike in prices of critical commodities, leading to uptick in inflationary pressures. To restrain the consequent inflation, major central banks around the world undertook monetary tightening resulting in tightening of financial conditions. The impact of increased borrowing costs and stubbornly high inflation is beginning to show in multiple leading indicators of global economic activity. Towards the end of financial year, there was Global Financial crisis on account of the collapse of the systemically important banks outside the country. This caused concerns of potential risks of contagion, which in turn resulted in increased turbulence across global markets. Banks across the world remained watchful and cautious and continued to withdraw their accommodative stance in a regulated manner which led to shrinking of liquidity across global markets and an increase in interest rates. As per IMF projections, world growth will bottom out at 2.8 percent this year before rising to 3.0 percent in 2024.

### INDIAN ECONOMIC SCENARIO:

Indian economy recorded a strong growth of 7.2 percent in FY 23 much higher than expected. Despite the global economy facing heightened uncertainty due to failure of banking system in certain countries, persisting geopolitical tensions and moderating but elevated inflation, the Indian economy and the domestic financial system remain resilient supported by strong macroeconomic fundamentals as stated by the Reserve Bank of India (RBI) in its Financial Stability Report. Indian economy continues to be one of the fastest growing major economies in FY 2023, which reflects India's strong economic fundamentals. With surging inflationary pressures, the RBI increased the Repo rates by 250 basis points and tightened liquidity, exerting pressure on deposit rates, which turned positive in real terms and intensified competitive pressures. The RBI paused the rate hikes in April 2023. FY23 witnessed volatility on liquidity front. However, RBI's fine tuning operations through conduct of variable rate repo and reverse repo supported liquidity.

### INDIAN CAPITAL MARKETS:

After stellar returns in the preceding two financial years, the equity markets took a pause in FY 23 with the benchmark Sensex and Nifty 50 finishing nearly flat. Sustained rate hikes by global central banks, the Russia-Ukraine war, stubborn inflation and the banking crisis in the developed World Banking, restrained the stock price performance in the outgoing financial year. The markets witnessed intense volatility during the year. It had poor performance in the first half of the fiscal 2022-23, gained momentum in the second half and declined after the release of the adverse report by a research firm which was another highlight. The Sensex finished FY 23 at 58,991 and NIFTY 50 index ended at 17,360 over the previous financial years close. The Indian rupee declined by 8.4 percent against the US dollar over the last fiscal and was Asia's worst performing currency. Global head winds led to sustained selling by foreign portfolio investors (FPIs) who pulled out

₹ 38,377 crores from Indian equity market. Domestic institutional investors bought shares worth ₹ 1.73 trillion in FY 23.

### BUSINESS OVERVIEW OF THE COMPANY, ITS SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURE:

Your Company is registered with Reserve Bank of India (RBI) as a Non-Deposit taking Non-Banking Financial Company. In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, your Company is categorized as a 'Systemically Important Non-Deposit taking Non-Banking Financial Company'. It is primarily a Holding company, holding investments in its subsidiaries and other group companies. The activities of the Company comprises of Investment in equity shares, quoted as well as unquoted, units of mutual funds, Fixed deposits with renowned banks, Government Securities (G secs), Inter Corporate deposits and loans to its Group Entities.

The Company through its subsidiary viz., IITL Projects Limited (IITLPL) and the joint ventures of subsidiary are in the business of real estate. The residential projects which have been undertaken by them are located in Noida and Greater Noida region and Yamuna Express way. (The details of projects undertaken by IITLPL and through Joint ventures have been provided in the Directors' Report).

The subsidiary company, IIT Investtrust Limited (IITIL) was into Stock Broking and Depository business. In June 2019, IITIL had applied for Surrender of membership of Stock Broking and Depository Participant business. Upon surrender IITIL ceases to be the Stock Broker as well as Depository Participant.

Besides that, IITIL is also in the business of providing Advisory and Consultancy services to Body Corporates.

The subsidiary company, IIT Insurance Broking and Risk Management Private Limited (IIT Insurance) was in the business of Direct Insurance Broking. (Life and Non-Life). During the year 2019-20, IIT Insurance had applied to Insurance Regulatory and Development Authority of India (IRDAI) for voluntary surrender of Insurance Broking license. IRDAI vide its letter dated June 17, 2021 granted approval for voluntary surrender of Certificate of Registration. Consequent to this, IIT Insurance ceased to be an Insurance Broker.

Subsequently, IIT Insurance changed its name to IITL Management and Consultancy Private Limited and also changed its Object Clause. The same were approved by Ministry of Corporate Affairs. Consequent to this, IIT Insurance ceased to be an Insurance Broker.

IITL Corporate Insurance Services Private Limited (IITL Corporate Insurance) was incorporated in the year 2014. The Company did not commence any business and applied to Ministry of Corporate Affairs for removal of its name from the Register of Members. IITL Corporate Insurance Services Private Limited has been struck off from the Register of Companies w.e.f. August 23, 2021 and the Company stands dissolved.

The Company had made an investment of Rs. 340 crore in Future Generali India Life Insurance Company Limited (FGILICL), a Joint venture Company acquiring 22.5 percent of equity capital in March 2013. Future Generali India Life Insurance Company Limited



made several Rights Issues. The company did not participate in any of the Rights Issues, due to which the company's stake reduced to 16.62 percent. Since couple of years, the Company had been exploring to divest its stake in FGILICL. In December 2021, the Company received offer from Generali Participations Netherlands N.V. (Generali), one of the Joint Venture partners of FGILICL, to acquire Equity holding of 16.62 percent (equivalent to 32,67,00,000 equity shares) at a total consideration of ₹ 225 crores. On December 18, 2021, the Company entered into Share Purchase Agreement with Generali.

Upon receiving approvals from Insurance Regulatory and Development Authority of India (IRDAI), Registrar of Companies, Competition Commission of India (CCI), Reserve Bank of India, Shareholders and all other Statutory / Regulatory Authorities the transaction was consummated on March 28, 2022.

The Associate Company, World Resorts Limited is in the business of hospitality and owns and operates a Deluxe Five Star Resort by the name Golden Palms Hotel and Spa at off. Tumkur Road, Bangalore. The hospitality and travel industry were hard-hit by Covid-19 and incurred immense losses in the last couple of years.

The Reserve Bank of India (RBI) vide its Letter dated June 25, 2018 had prohibited the Company from expanding its credit / investment portfolio other than investment in Government Securities till Net NPAs are brought down to below 5%. Pursuant to the restrictions imposed by RBI, the Company did not expand its credit / investment portfolio.

During the year under review, the Company entered into One Time Settlement with the Joint Ventures of the subsidiary Company, IITL Projects Limited. All outstanding loans have been recovered and the NPAs have become NIL.

The company has parked ₹ 225 crores in Government Securities received from the sale of equity stake of Future Generali.

The Company informed RBI regarding the status of the loans and investments. The Company made necessary submissions to RBI with regard to their Supervisory concerns.

#### RISKS AND CONCERNS:

The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate risk, market risk, credit risk, liquidity risk, geo-political risk or uncertain economic conditions. Besides that the equity markets become extremely volatile due to various other factors like policy changes, capital inflows/outflows etc. The Company manages these risks by maintaining conservative financial profile and by following prudent business and risk management practices. The Company manages the risks through proper frame work of policy and procedures approved by the Board of Directors from time to time. The Company has formulated a Risk Management Policy The Company has formed a separate Risk Management Committee which identifies, evaluates, analyses and prioritize risks in order to address and minimize such risks. This exercise facilitates identifying high level risks and implement appropriate solutions for minimizing the impact of such risks on the business of the Company. The Company is exposed to Credit risk which can be on account of loss of interest income and the Company's inability to recover the principal amount of the loan disbursed to the borrowers.

The assets are classified from time to time as performing and non-performing in accordance with RBI guidelines. Provisions are made on standard, sub-standard and doubtful assets at rates prescribed by RBI. An asset is classified as non-performing if any amount of interest or principal remains overdue for the number of stipulated days.

The Company's subsidiary and its joint ventures are in the business of real estate and their financial performance will have impact on the Group's business results and financial condition.

The subsidiaries of the Company also manage their business risks by following proper risk management policies to avoid any adverse impact on the holding company

#### SIGNIFICANT FINANCIAL RATIOS

As per the provisions of SEBI Listing Regulations, 2015, the significant financial ratios are given below:

Particulars		2022-2023	2021-2022	
Net Profit margin	%	321.18%	59.88%	Due to Increase in Net Profit and Turnover
Operating Profit margin	%	322.32%	63.99%	Due to increase in operating profit
Current ratio	Times	15.36	0.45	Due to increase in Current Assets
Return on Net worth	%	12.10%	(31.88%)	he change in Return on Net Worth ratio has happened majorly because of reversal of impairment provision on account of repayment of loan by borrowers amounting to ₹ 4405.46 lakhs.
EPS		19.07	(44.17)	Due to Increase in Net Profit
PE Ratio		4.54	(1.80)	Due to change in Market price and Earning Per Share value

#### FINANCIAL PERFORMANCE:

The Company has incurred a profit after tax of ₹ 4,299.38 lakhs during the year compared to loss of ₹ 9,960.31 lakhs in the previous year. The revenue from operations during the year is ₹ 1,527.67 lakhs compared to ₹ 677.78 lakhs in the previous year.

During the current year the company has rectified the presentation and disclosure relating to the notional interest and impairment in fair value of investments in preference shares in Associates, in accordance with Ind AS 8, read with Ind AS 27. However this does not have any impact on the profits / losses determined in the previous periods, networth and the carrying amount of the investments. Net gain on fair value changes for the above transaction in the current year is ₹ 59.03 lakhs compared to previous year of ₹ 354.35 lakhs.

**HUMAN RESOURCE:**

Your company considers Human Resource as key drivers to the growth of the Company. The Company has performance-based appraisal system. As on March 31, 2023, the total number of employees including subsidiaries was 18.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company maintains appropriate systems of Internal Control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorised use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

The Company has established appropriate Internal control framework in its operations and financial accounting and reporting practices to ensure due adherence to the Internal Financial Control over Financial Reporting under section 143(3) of The Companies Act 2013.

The Board of Directors have adopted Related Party Transactions Policy and Whistle Blower /Vigil Mechanism for ensuring efficient conduct of the business of the Company, 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.

The internal control is supplemented by an effective internal audit carried out by an external firm of Chartered Accountants. The management regularly reviews the findings of the Internal Auditors and takes appropriate steps to implement the suggestions and observations made by them. The management ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Audit Committee of the Board of Directors reviews the adequacy of Internal Controls. The Internal Auditors are present at the Audit Committee Meetings where Internal Audit Reports are discussed alongside of management comments and the final observation of

the Internal Auditor. All these measures assist in timely detection of any irregularities and remedial steps that can be taken to avoid any pecuniary loss.

**OUTLOOK:**

The global economy continues to gradually recover from the pandemic and Russia's invasion of Ukraine. The COVID-19 health crisis is over, and supply-chain disruptions have returned to pre-pandemic levels.

While Financial 2023 has brought many challenges, it can be considered as a year of change and opportunity. Inflation is gradually easing, but the US Federal Reserve continues to raise interest rates, leading to an economic slowdown. However, the world's battle against inflation is not over.

IMF has raised India's growth forecast to 6.1 percent for FY 24 citing strong domestic investment, while compared to RBI's estimate of 6.5 percent and expects inflation to decline in FY 24.

**DISCLAIMER:**

*The information and opinion expressed in this section of the Annual Report may contain certain statements, which the Management believes are true to the best of its knowledge at the time of its preparation. The Company and the Management shall not be held liable for any loss, which may arise as a result of any action taken on the basis of the information contained herein.*

On Behalf of the Board of Directors,

Dr. Bidhubhusan Samal  
Chairman  
(DIN: 00007256)

Place: Mumbai  
Date: August 18, 2023

## REPORT ON CORPORATE GOVERNANCE

The Board of Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended March 31, 2023.

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company has been upholding the core values in all facets of its corporate working, with due concern for the welfare of shareholders of the Company. The Management has consistently followed the principles of Corporate Governance, based on fairness, transparency, integrity, accountability and the compliance with laws in all corporate decisions.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is given hereunder:

### 2. BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is governed by the provisions of the Companies Act, 2013, ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time.

Composition of the Board, Category of Directors, Other Directorships, Committee Memberships and Chairmanships of other companies are given in the table below:

Sr. No	Name of the Directors	Category	No. of other Directorships held*	No. of Committee Memberships of other Companies#	No. of Committee Chairmanships of other Companies#	Directorship in other listed entities
1	Dr. Bidhubhusan Samal	NI / E Executive Chairman	2	1	-	Non-Independent Non-Executive Director: (a) IITL Projects Limited
2	Mr. Bipin Agarwal	NI / NE Promoter	5	1	1	Non-Independent Non-Executive Director: (a) IITL Projects Limited Managing Director: (a) Nimbus Projects Limited
3	Mr. Venkatesan Narayanan	I / NE	4	2	2	Independent Non-Executive Director: (a) IITL Projects Limited
4	Ms. Sujata Chattopadhyay	I / NE	4	2	1	Independent Non-Executive Director: (a) IITL Projects Limited (b) Vakrangee Limited (c) Steel Exchange India Limited
5	Mr. Milind S. Desai	I / NE	3	2	2	Independent Non-Executive Director: (a) IITL Projects Limited (b) Emmessar Biotech and Nutrition Limited
6	Mr. Shankar Narayan Mokashi	NI / NE Representative of LIC of India	Nil	Nil	Nil	Nil

NI - Non Independent Director

I - Independent Director

NE - Non-Executive Director

E - Executive Director

\* Excludes alternate directorships, directorships in foreign companies, private limited companies and Companies under Section 8 of the Companies Act, 2013.

# Excludes Committees other than Audit Committee and Stakeholders' Relationship Committee of public limited companies.

None of the Directors (a) hold membership in more than 10 public limited companies and (b) is a member of more than 10 committees or chairperson of more than 5 committees across all the public companies in which he/she is a Director;

#### Disclosure of relationship between directors inter-se

None of the Directors of the Company are related to each other.

#### Number of shares and convertible instruments held by Non-Executive Directors

None of the Non-Executive Directors hold any shares or convertible instrument of the Company.

#### Appointment / Re-appointment of Directors

As required under Regulation 26(4) and Regulation 36(3) of the Listing Regulations and Secretarial Standards – 2 on General Meetings issued by Institute of Company Secretaries of India (ICSI), particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Annual Report.

#### Board Procedures

The dates for meetings of the Board of Directors and its Committees are scheduled in advance and published as a part of the Annual Report. The Agenda and the explanatory notes are circulated well in advance to the Directors in accordance with the Secretarial Standards.

The CEO / CFO make presentations to the Board on matters including but not limited to the Company's performance, operations, plans, etc. The Board has complete access to any information within your Company which includes the information as specified in Regulation 17 of the Listing Regulations.

The draft minutes of the Board and its Committees are sent to the Directors / Members of the Board / Committees for their comments and then the minutes are entered in the minutes book within 30 days of the conclusion of the meeting.

#### Information supplied to the Board

The Board has complete access to all information of the Company, including inter-alia, the information to be placed before the Board of Directors as required under the Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to the concerned Departments.

### Skills / Expertise / Competence of the Board of Directors

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board: Expertise in Financial sector (Banking and Non-Banking); Governance; Managerial and Entrepreneurial skills for Business Development. Our Chairman, Dr. Bidhubhusan Samal has served as Chairman & Managing Director of

Allahabad Bank and Industrial Investment Bank of India and has held many important posts during his vast career of over 35 years in Banking and Finance.

### Matrix highlighting core skills/expertise/competencies of the Board of Directors:

The Board comprises of highly qualified members who possesses required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees.

The core skills / expertise / competencies required in the Board in the context of the Company's businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below:

Sr. No.	Skill Area	Name of Director					
		Dr. Bidhubhusan Samal	Mr. Bipin Agarwal	Mr. Venkatesan Narayanan	Ms. Sujata Chattopadhyay	Mr. Milind S. Desai	Mr. Shankar Narayan Mokashi
1.	Leadership	√	√	√	√	√	√
2.	Management & Business Excellence	√	√	√	√	√	√
3.	Financial	√	√	√	√	√	√
4.	Ethics & Corporate Governance	√	√	√	√	√	√
5.	Diversity	√	√	√	√	√	√

### Directors retiring by rotation

As per Regulation 36 of the Listing Regulations, brief profile of Director seeking re-appointment at the forthcoming AGM, is annexed to the Notice convening the AGM and forming part of this Annual Report.

### Independent Directors

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and have confirmed that they hold directorship within the prescribed limit in the Listing Regulations. The terms and conditions of appointment of Independent Directors have been disclosed on the weblink of the Company viz. <http://www.iitlgroup.com/newStatic/AboutUs.aspx>

In the opinion of the Board, the Independent Directors of the Company fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the SEBI Listing Regulations and are independent of the management.

### Board Meetings and Annual General Meeting

The meetings of the Board are scheduled well in advance. The Board meets at least once in a quarter inter alia to review the performance of the Company. For each meeting, a detailed agenda is prepared in consultation with the Chairman.

During the year 2022-2023, seven Board Meetings were held i.e., on May 28, 2022, June 27, 2022, August 13, 2022, November 14, 2022, February 14, 2023, March 04, 2023 and March 24, 2023.

### Attendance at the Board Meetings and at the Annual General Meeting (AGM)

Name of the Director	Number of Board Meetings attended	Attendance at the last AGM
Dr. Bidhubhusan Samal	7	Yes
Mr. Bipin Agarwal	7	Yes
Mr. Venkatesan Narayanan	7	Yes
Ms. Sujata Chattopadhyay	7	Yes
Mr. Milind S. Desai	7	Yes
Mr. Shankar Narayan Mokashi	7	Yes

### 3. FAMILIARISATION PROGRAMME

The Company has formulated a Familiarisation Programme for Independent Directors with an aim to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., to provide them with better understanding of the business and operations of the Company and so as to enable them to contribute significantly to the Company.

The Company conducts periodical meetings and makes presentations to familiarise Independent Directors with the strategy, operations and functions of the Company.

The details of the familiarisation programme have been disclosed on the website of the Company under the web link <http://www.iitlgroup.com/newStatic/AboutUs.aspx>.



#### 4. GOVERNANCE CODES

##### Code of Conduct

As required by the Listing Regulations, the Board of Directors of the Company have adopted a Code of Conduct for all Board members which incorporates the duties of Independent Directors and Senior Management of the Company. In terms of Regulation 26(3) of the Listing Regulations, the members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the period under review. A declaration to this effect signed by the Chairman of the Company is given elsewhere in the Annual Report.

The full text of the Code is disclosed on the Company's weblink [http://www.iitlgroup.com/CODE\\_OF\\_CONDUCT\\_new.pdf](http://www.iitlgroup.com/CODE_OF_CONDUCT_new.pdf)

##### Code of Conduct to regulate, monitor and report trading by Insiders

Pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, the Company has adopted Code of Conduct to Regulate, Monitor and Report Trading by designated persons and immediate relatives of designated persons and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Code also provides for preclearance of transactions by designated persons. Pursuant to provisions of Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), the Company has a Structured Digital Database (SDD) in place and is maintained as stipulated by the SEBI Prohibition of Insider Trading Regulations, 2015. In this regard the Company has filed the compliance certificate with the Stock Exchanges on a quarterly basis.

The full text of the Code is disclosed on the Company's weblink <https://iitlgroup.com/newstatic/Reports/Code-of-Conduct-to-Regulate,Monitor-and-Report-Trading-by-designated-persons-and-immediate-relatives-of-designated-persons.pdf>

#### 5. COMMITTEES OF THE BOARD

The Board has constituted the following Committees of Directors:

##### a) Audit Committee:

The Audit Committee was constituted on March 14, 2001. It was last reconstituted on November 12, 2020. The Committee is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of the Regulation 18 of the Listing Regulations.

During the year under review, five meetings of the Audit Committee were held, the dates being May 28, 2022, June 27, 2022, August 13, 2022, November 14, 2022 and February 14, 2023.

The composition and attendance of members at the Audit Committee Meetings are as follows:

Audit Committee Members	Status	Number of Audit Committee Meetings Attended
Mr. Milind S. Desai	Chairman	5
Mr. Venkatesan Narayanan	Member	5
Mr. Shankar Narayan Mokashi	Member	5

Each member of the Committee has relevant experience in the field of accounts and finance, with the Chairman of Committee being a Chartered Accountant.

Mr. Milind S. Desai, the Chairman of Audit Committee was present at the Annual General Meeting held on September 24, 2022.

The representatives of Statutory Auditors and Internal Auditors are invitees to the Audit Committee Meetings at the discretion of the Committee Members. They have attended four Audit Committee meetings during the year.

Ms. Cumi Banerjee, CEO (Secretarial, Legal and Admin) & Company Secretary acts as Secretary to the Committee and attends the meetings.

##### Terms of Reference:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Modified Opinion in the draft audit report

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function)

after assessing the qualifications, experience and background, etc. of the candidate;

20. Review of utilization of loans and/or advances from/ investment by the holding Company in the subsidiary exceeding Rs.100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
21. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall also verify that the systems for internal control are adequate and are operating effectively;
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and
23. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further pursuant to Regulation 18(2)(c) of the Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time

**b) Nomination and Remuneration Committee:**

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

**The Key Objectives of the Committee**

- i) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- iii) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- iv) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

During the year under review, three meetings of the Nomination and Remuneration Committee were held on May 28, 2022, February 14, 2023 and March 24, 2023.

The composition and attendance of members at the Committee Meeting as on March 31, 2023 are as follows:

Nomination and Remuneration Committee Members	Status	Number of Nomination and Remuneration Committee Meetings Attended
Mr. Milind S. Desai	Chairman	3
Mr. Venkatesan Narayanan	Member	3
Mr. Shankar Narayan Mokashi	Member	3

**Terms of Reference:**

- a. Identification of persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommendation to the Board about their appointment and removal and carrying out evaluation of every Director's performance;
- b. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- c. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - i. use the services of an external agencies, if required;
  - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii. consider the time commitments of the candidates.
- d. Formulate a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees and while formulating the policy the Committee to ensure that the:
  - i. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- e. Devising a Policy on Diversity of Board of Directors.
- f. In cases where any services rendered by a Director are of a professional nature to opine whether the Director possesses the requisite qualification for the practice of the profession;
- g. Approve the payment of remuneration of Executive Chairman / Managing Director or Whole-time Director or a Manager (Managerial Person) for the purposes of Section II (dealing with remuneration payable by companies having no profit or inadequate profit without Central Government approval) of Part II of the Schedule V (under sections 196 and 197) of the Companies Act, 2013.
- h. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- i. recommend to the Board, all remuneration, in whatever form, payable to senior management.
- j. to look into the entire gamut of remuneration package for the working Director(s) and revise their remuneration suitably within the limits prescribed under the Companies Act, 2013 or any rules or amendments thereto, with power to consider fixing/ re-fixing salaries, perquisites and other terms of remuneration of the working Director(s) of the Company subject to approval of shareholders, where necessary;
- k. to decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company;
- l. to attend to such other matters and functions as may be prescribed from time to time.

**Succession Planning**

We have an effective mechanism for succession planning which focuses on orderly succession of Directors, including Executive Directors, Senior Management team and other executive officers. The Nomination and Remuneration Committee implements this mechanism in concurrence with the Board. The detailed Succession Planning Policy is placed on <http://www.iitlgroup.com/newStatic/uploads/Succession-Planning-Policy.pdf>

**Evaluation**

The Committee carries out evaluation of performance of every Director, Key Managerial Personnel and Senior Management Personnel once a year.

### Performance Evaluation of Independent Directors

The Nomination and Remuneration Committee of the Board laid down the evaluation criteria for performance of all its Directors including the Independent Directors. The performance evaluation of the Independent Directors has been done by the entire Board of Directors, except the Director concerned being evaluated. Some of the performance indicators, based on which the independent directors, are evaluated include:

- Attendance and participations in the Meetings and timely inputs on the minutes of the meetings
- The ability to contribute to and monitor our corporate governance practices
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion
- Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction

### Pecuniary transactions with Non-Executive Directors

During the year under review, there were no pecuniary transactions with any non-executive Director of the Company. The Register of Contracts is maintained by the Company under Section 189 of the Companies Act, 2013. The register is signed by all the Directors present at the respective Board meetings.

### Criteria of making payments to Non-Executive Directors

Non-Executive Directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making, and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company. The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

### Nomination and Remuneration Policy

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Remuneration Policy providing (a) criteria for determining qualifications,

positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The detailed Nomination and Remuneration Policy is placed on [http://www.iitlgroup.com/newStatic/Nomination\\_Remuneration\\_Policy.pdf](http://www.iitlgroup.com/newStatic/Nomination_Remuneration_Policy.pdf)

### Details of remuneration paid to the Executive Chairman for the year 2022-2023 are given below:

Name	Salary ₹	Perquisites ₹	Contribution to P.F ₹	Total ₹
*Dr. Bidhubhusan Samal	18,00,000/-	15,00,000/-	2,16,000/-	35,16,000/-

\* Re-appointed as Executive Chairman for a period of 3 years with effect from January 24, 2022.

Apart from fixed components set by the Nomination and Remuneration Committee, no performance linked incentives are paid to Dr. Bidhubhusan Samal.

### Details of remuneration paid to Non-Executive Directors for the year 2022-2023 are given below:

During the year 2022-2023, Non-Executive Directors of the Company were entitled to receive remuneration by way of sitting fees of ₹ 30,000/- for each Meeting of the Board and Committees attended by them.

### Sitting Fees (excluding GST)

Name	Board Meetings ₹	Committee Meetings ₹	Total ₹
Mr. Bipin Agarwal	2,10,000	90,000	3,00,000
Mr. Venkatesan Narayanan	2,10,000	6,60,000	8,70,000
Ms. Sujata Chattopadhyay	2,10,000	30,000	2,40,000
Mr. Milind S. Desai	2,10,000	3,60,000	5,70,000
Mr. Shankar Narayan Mokashi	2,10,000	5,10,000	7,20,000
<b>Total</b>	<b>10,50,000</b>	<b>16,50,000</b>	<b>27,00,000</b>

Considering the time, energy and responsibility involved, the Board at its meeting held on May 27, 2023 increased the sitting fees from ₹ 30,000/- to ₹ 60,000/- for attending each Meeting of the Board and Committees by the Non-Executive Directors of the Company with immediate effect.

Mr. Bipin Agarwal holds 25,000 equity shares in the Company and none of the remaining Directors hold any equity share of the Company as on March 31, 2023.

### Stock Option

Presently, the Company does not have a practice of granting stock options.

**c) Stakeholders Relationship Committee (SRC)**

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Committee was last re-constituted on November 12, 2020.

During the year under review, seven meetings of the Stakeholders Relationship Committee was held on June 07, 2022, December 01, 2022, December 23, 2022, January 09, 2023, January 21, 2023, February 08, 2023 and March 17, 2023.

The composition and attendance of members at the SRC Meeting as on March 31, 2023 are as follows:

Stakeholders Relationship Committee Members	Status	Number of Stakeholders Relationship Committee meetings attended
Mr. Venkatesan Narayanan	Non-Executive Director - Chairman	7
Dr. Bidhubhusan Samal	Member	6
Mr. Shankar Narayan Mokashi	Member	7

This Committee:

1. approves and monitors transfers, transmissions, splitting and consolidation of shares and the issue of duplicate share certificates; and
2. Review and resolve the grievance of shareholders of the Company including complaints related to transfer, transmission of securities, non-receipt of annual report/dividends/ notices etc.; Ensuring setting of proper controls and oversight of performance of the Registrar & Share Transfer Agent;
3. Recommendation of measures for overall improvement of the quality of investor services.

Apart from the above, the Committee also exercises the role and powers entrusted to it by the Board and/or specified/ provided under the Act or Listing Regulations as amended, or by any other regulatory authority.

To expedite share transfer process, the Board has authorised the CEO (Secretarial, Legal and Admin) & Company Secretary to approve share transfer / transmission / consolidation / split / deletion up to five thousand shares. Requests for share transfer / transmission / consolidation / split / deletion for more than five thousand shares and issue of duplicate share certificates are approved by the SRC.

- Name and designation of Compliance Officer:	Ms. Cumi Banerjee CEO (Secretarial, Legal and Admin) & Company Secretary
- No. of shareholders' complaints received	Nil
- No. of shareholders' complaints resolved	Nil
- No. of complaints not resolved to the satisfaction of the shareholders	Nil
- Pending complaints as on 31.03.2023	Nil

The Company attends to investors' & shareholders' grievances within 15 days from the date of its receipt.

**d) Committee for Investments / Loans**

The Board had re-constituted 'Committee of Directors' on March 05, 2008 to deal with matters concerning investments and granting loans. On July 20, 2010, the nomenclature of Committee of Directors was changed to 'Committee for Investment and Loans'.

The Board had constituted a Risk Management Committee on June 26, 2006.

The Board of Directors in their meeting held on August 01, 2013, decided that a new Committee by the name '**Committee for Investments / Loans and Risk Management**' be constituted in place of 'Committee for Investments and Loans' and 'Risk Management Committee' which would deal with matters concerning investments, granting loans, taking / providing guarantees / securities and address all risks which can create impact on the business of the Company.

The Committee was last re-constituted on February 12, 2019.

During the year under review, three meetings of Committee for Investments / Loans and Risk Management were held on May 28, 2022, June 27, 2022 and November 14, 2022.

The attendance of members at the Committee for Investments / Loans and Risk Management Meetings during 2022-2023 is as follows:

Committee for Investments / Loans and Risk Management Members	Status	Number of Committee for Investments / Loans and Risk Management meetings attended
Mr. Milind S. Desai	Chairman	3
Dr. Bidhubhusan Samal	Member	3
Mr. Bipin Agarwal	Member	3

In order to comply with NBFC Directions, it was necessary to constitute a separate 'Risk Management Committee'. The Board at its meeting held on March 04, 2023,

constituted a separate Risk Management Committee and also changed the nomenclature of the existing Committee, from 'Committee for Investments / Loans and Risk Management' to 'Committee for Investments / Loans'.

The composition of the Committee for Investments / Loans as on March 31, 2023 is as follows:

Committee for Investments / Loans Members	Status
Mr. Milind S. Desai	Chairman
Dr. Bidhubhusan Samal	Member
Mr. Bipin Agarwal	Member

**e) Risk Management Committee (RMC)**

In order to comply with NBFC Directions, the Board of Directors at their meeting held on March 04, 2023 constituted the Risk Management Committee.

The composition of the Risk Management Committee as on March 31, 2023 is as follows:

Risk Management Committee Members	Status
Dr. Bidhubhusan Samal	Chairman
Mr. Venkatesan Narayanan	Member
Mr. Milind S. Desai	Member

The terms of reference of the Risk Management Committee are as under:

- (i) to ensure that all the risk associated with the functioning of the Company are identified, controlled and mitigated;
- (ii) to lay down procedures regarding managing and mitigating the risk through Integrated Risk Management Systems, Strategies and Mechanisms;
- (iii) to deal with issues relating to credit policies and procedures and manage the credit risk, operational risk, management of policies and process;
- (iv) identifying, measuring and monitoring the various risk faced by the Company;
- (v) to monitor the progress made in putting in place a progressive risk management system and risk management policy and strategy followed by the Company; and
- (vi) to have oversight over implementation of risk and other policies including Anti Money Laundering and KYC (Know your Customer) Policies.

**f) Corporate Social Responsibility Committee (CSR)**

Pursuant to Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) Committee was constituted on May 20, 2014. The Company has a 'Corporate Social Responsibility Committee of Directors' which comprises of three Directors out of which one is Executive Chairman and two are Non-Executive. The composition and the role of the Committee are in conformity with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder.

The composition of the Corporate Social Responsibility Committee as on March 31, 2023 is as follows:

Corporate Social Responsibility Committee Members	Status
Dr. Bidhubhusan Samal	Chairman
Mr. Bipin Agarwal	Member
Mr. Venkatesan Narayanan	Member

The Company is neither fulfilling any of the criteria mentioned in Section 135(1) nor the Company has average net profits for the past three financial years 2019-2020, 2020-2021 and 2021-2022 to contribute any amount towards CSR activities. Hence, the Company is not required to make any contribution towards CSR activities in the financial year 2022-2023.

The Board of Directors at its meeting held on February 12, 2021 had resolved that until the Company fulfills the criterias stipulated in Section 135(1) of Companies Act, 2013, the Company shall dispense with the holding of CSR Committee meetings. Hence no meeting of the Committee was held during the Financial Year ended March 31, 2023. However, the applicable provisions will be complied with in the next financial year 2023-2024 as per the eligibility.

The Company has formulated CSR Policy, which is uploaded on the Website of the Company

(Weblink: [http://www.iitlgroup.com/newStatic/Corporate\\_Social\\_Responsibility\\_Policy.pdf](http://www.iitlgroup.com/newStatic/Corporate_Social_Responsibility_Policy.pdf)).

**g) Asset Liability Management Committee**

The Board has constituted 'Asset Liability Management Committee' (ALCO) on August 01, 2013 consisting of senior management executives which monitors liquidity and interest rate risks of the Company. The functioning of ALCO is reviewed by the Risk Management Committee which meets on quarterly basis and reports to the Board of Directors.

The Committee was last re-constituted on March 24, 2023.

The terms of reference of Asset Liability Management Committee (ALM) are as under:

The ALM Committee is responsible for assisting the Board of Directors in Balance Sheet planning from risk-return perspective including the strategic management of interest and liquidity risk. Its function includes -

- i. Liquidity risk management.
- ii. Management of market risks.
- iii. Funding and capital planning.
- iv. Profit planning and growth projection.
- v. Forecasting and analysing future business, environment and preparation of contingency plans.

During the year under review, four meetings of Asset Liability Management Committee were held on June 27,

2022, September 15, 2022, December 01, 2022 and February 08, 2023.

**h) IT Strategy Committee**

Pursuant to RBI Master Direction-Information Technology Framework for the NBFC sector, the Company has constituted an IT Strategy Committee to review the IT strategies in line with its corporate strategies, Board policy reviews, cyber security arrangements and any other matter related to IT governance.

The terms of reference of the IT Strategy Committee are as under:

- i. Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- ii. Ascertaining that management has implemented processes and practices that ensures that, the IT delivers value to the business;
- iii. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals;
- iv. Any other role and responsibility as per the directions of RBI issued from time to time.

The Board has constituted 'IT Strategy Committee' on February 10, 2018 consisting of an Independent Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Information Officer (CIO) and Chief Technology Officer (CTO). The said Committee was last re-constituted on March 24, 2023.

During the year under review, two meetings of IT Strategy Committee were held on August 24, 2022 and February 08, 2023.

**i) SENIOR MANAGEMENT**

Particulars of senior management of the Company during the financial year 2022-23:

Sr. No	Name of Senior Management	Designation
1.	Ms. Cumi Ankur Banerjee	Compliance Officer, Chief Executive Officer (Secretarial, Legal and Admin), Company Secretary and Nodal Officer
2.	Mr. Kamlesh Kumar Agrawal (Resigned w.e.f. February 16, 2023)	Chief Financial Officer
3.	Mr. Ajit Kumar Mishra (Appointed w.e.f. February 17, 2023)	Chief Financial Officer
4.	Mr. Rajev Adlakha (Appointed w.e.f. February 14, 2023)	Chief Executive Officer - NBFC Operations

**6. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS**

**a) Management Discussion and Analysis**

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under the Listing Regulations.

**b) The Company has adopted a Policy for Preservation of Documents.**

The said policy has been also put up on the website of the Company at the following Link: <http://www.iitlgroup.com/newStatic/POLICY-FOR-PRESERVATION-OF-DOCUMENTS.pdf>

**c) Separate Meeting of Independent Directors**

During the year under review, the Independent Directors met on March 24, 2023, inter alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- ii) Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- iii) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

**d) Subsidiary Companies**

Regulation 16 of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

The Company has also formulated a Policy for determining Material Subsidiaries. The policy is available on the website of the Company. (Weblink: [http://www.iitlgroup.com/newStatic/Policy\\_for\\_Determining\\_Material\\_Subsiidiaries.pdf](http://www.iitlgroup.com/newStatic/Policy_for_Determining_Material_Subsiidiaries.pdf)).

Under this definition, IITL Projects Limited (Listed) is a material subsidiary of the Company.

The subsidiary companies are managed by their separate Board of Directors, who are empowered to exercise the rights and perform the duties for efficient monitoring and management of the subsidiary companies. The Company oversees and monitors the performance of subsidiary companies by following means:

- i. The Audit Committee reviews the financial statements and, in particular the investments made by the unlisted subsidiary companies.
- ii. The minutes of the meetings of the Board of Directors of the unlisted subsidiary companies are placed before the Board of Directors of the Company.

- iii. A statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Board of Directors of the Company.

In addition to the above, Regulation 24 of the Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

There is no Subsidiary which falls under this definition of unlisted material subsidiary for the financial year ended March 31, 2023. The other requirements of Regulation 24 of the Listing Regulations with regard to Corporate Governance requirements for Subsidiary Companies have been complied with.

**e) Disclosures - Related Party transactions**

As per Section 188 of the Companies Act 2013 and Regulation 23 of the Listing Regulations, all the Related Party transactions were on arm's length basis and the same were duly approved by the Audit Committee.

Sub-regulation (1) of Regulation 23 of SEBI Listing Regulations explains that "A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity."

Statements in summary form of transactions with related parties are periodically placed before the Audit Committee.

As required under Listing Regulations, the Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions. The policy is available on the website of the Company. (Weblink: [http://www.iitlgroup.com/newStatic/POLICY\\_on\\_materiality\\_of\\_Related\\_Party\\_Transactions\\_Aug\\_2023.pdf](http://www.iitlgroup.com/newStatic/POLICY_on_materiality_of_Related_Party_Transactions_Aug_2023.pdf)).

**f) Vigil Mechanism/ Whistle Blower Policy**

As required by the Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has formulated a Vigil Mechanism/ Whistle Blower Policy to maintain the standard of ethical, moral and legal conduct of business operations. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees or Directors or any other person to avail

of the mechanism and also provide for direct access to the Chairman/ CEO/ Chairman of the Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/ employee/ any other person has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link [http://www.iitlgroup.com/newStatic/Vigil\\_Mechanism\\_Whistle\\_Blower\\_Policy.pdf](http://www.iitlgroup.com/newStatic/Vigil_Mechanism_Whistle_Blower_Policy.pdf) and circulated to all the Directors / employees.

**g) Disclosure of Accounting Treatment**

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the same as specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable and Non-Banking Financial Company - Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.

**h) Disclosure on Risk Management**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically reviews the same.

**i) CEO / CFO Certification**

In terms of the requirements of Regulation 17(8) of the Listing Regulations, the Executive Chairman, Dr. Bidhubhusan Samal, CEO (Secretarial, Legal and Admin) & Company Secretary, Ms. Cumi Banerjee and Group CFO, Mr. Ajit Kumar Mishra, have submitted necessary certificate to the Board of Directors stating the particulars specified under the said regulations.

This certificate has been reviewed and taken on record by the Board of Directors at its meeting held on May 27, 2023 and enclosed here as "Annexure - A".

**j) Reconciliation of Share Capital Audit**

M/s Chandanbala Jain & Associates, Practicing Company Secretary carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed issued equity share capital. The audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**k) Non-mandatory requirements**

Besides complying with mandatory requirements of the Listing Regulations, the Company has also complied



with the following non-mandatory requirements of Listing Regulations.

i) **Audit Qualifications**

The Auditors' Report on the Audited Financial Results (Standalone) contains audit qualification, as detailed hereunder:

Details of Audit Qualification:

The subsidiary IITL Projects Limited being a listed entity has made provision for differences in the quoted fair value of the investments and its carrying amount in the books of the Company as required by Ind AS 27 read with Ind-AS 113. However, as stated in note no 3(i) of the Statement regarding investment in its subsidiary IITL Projects Limited, the financials result of the subsidiary have been prepared on a going concern basis, although the subsidiary company is incurring continuous losses and its net worth is negative as on March 31, 2023. In view of the adverse cash flows of the Joint Ventures (JVs) namely IITL Nimbus, The Hyde Park Noida, IITL-Nimbus The Express Park View, IITL- Nimbus The Palm Village and Capital Infra Projects Limited their ability to continue as a going concern is doubtful. Based on the financial statement of joint venture as well as estimated cash flow, the investment in three joint ventures namely IITL-Nimbus Express Park View, IITL -Nimbus The Hyde Park and Capital Infra Projects are fully impaired and recognised. Further as at March 31, 2023, the accumulated losses of subsidiary is ₹ 6,047.06 lakhs exceeds the paid up equity capital and accordingly the net worth of the subsidiary stands fully eroded. The current liabilities of the Company exceeds its current assets and non-current liabilities dues towards redeemable preference shares is more than the estimated realizable value of the other non-current assets. These conditions indicate the existence of uncertainty that may cast significant doubt on the subsidiary ability to continue as a going concern. The ultimate outcome of the above is not ascertainable at present and hence we are unable to comment on the consequential impact, if any on the accompanying Financial Statements.

Management's Views:

The Management is seized of the matter that the net worth of the subsidiary company is completely eroded. In the light of the above, the subsidiary Company is exploring options to infuse funds or exiting loss making JVs to reduce any further losses. One of the JVs, IITL Nimbus Palm Village has commenced its Project and the Management is closely monitoring the development of the same and its impact on the cash flows. One of the JVs, IITL Nimbus The Express Park View projects is under progress and its cash flow will depend upon the market condition.

The ultimate outcome of the above is not ascertainable at present and hence we are unable to estimate the impact.

The Auditors' Report on the Audited Financial Results (Consolidated) contains audit qualifications, as detailed hereunder:

Details of Audit Qualification:

The subsidiary being a listed entity the company made provision for differences in the quoted fair value of the investments and its carrying amount in the books of the Company as required by Ind AS 27 read with Ind-AS 113. However, as stated in note no 3(i) of the Statement regarding investment in its subsidiary IITL Projects Limited. The financials result of the subsidiary have been prepared on a going concern basis, although the subsidiary company is incurring continuous losses and its net worth is negative as on March 31, 2023. In view of the adverse cash flows of the Joint Ventures (JVs) namely IITL-Nimbus, The Hyde Park Noida, IITL-Nimbus The Express Park View, IITL- Nimbus The Palm Village and Capital Infra Projects Limited their ability to continue as a going concern is doubtful. Based on the financial statement of joint venture as well as estimated cash flow, the investment in three joint ventures namely IITL-Nimbus Express Park View, IITL -Nimbus The Hyde Park and Capital Infra Projects are fully impaired and recognised. Further as at March 31, 2023, the accumulated losses of subsidiary ₹ 6,079.83 lakhs exceeds the paid up equity capital and the net worth of the Subsidiary stands fully eroded. The current liabilities of the Company, exceeds its current assets and non-current liabilities dues towards redeemable preference shares is more than the estimated realizable value of the other non-current assets. These conditions indicate the existence of uncertainty that may cast significant doubt on the subsidiary ability to continue as a going concern. The ultimate outcome of the above is not ascertainable at present and hence we are unable to comment on the consequential impact if any on the accompanying Financial Statements

Management's Views:

The Management is seized of the matter that the net worth of the subsidiary company is completely eroded. In the light of the above, the subsidiary Group is exploring options to infuse funds or exiting loss making JVs to reduce any further losses. One of the JVs, IITL Nimbus Palm Village has commenced its Project and the Management is closely monitoring the development of the same and its impact on the cash flows. One of the JVs, IITL Nimbus The Express Park View projects is under progress and its cash flow will depend upon the market condition.

The ultimate outcome of the above is not ascertainable at present and hence we are unable to estimate the impact.

- ii) Separate posts of Chairman and Chief Executive Officer (CEO)

Separate persons have been appointed as Chairman and Chief Executive Officer of the Company.

- iii) Reporting by internal auditor

The Internal Auditor reports directly to the Audit Committee.

## 7. GENERAL BODY MEETINGS / POSTAL BALLOT

### Location and time where last three AGMs were held:

Sr. No.	Date	Location	Time	Special Resolution passed
1.	September 24, 2022	The Company conducted the AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM). Deemed venue was Office No.101A, 'The Capital', G Block, Plot No.C-70, Bandra Kurla Complex, Bandra East, Mumbai - 400051	3.00 p.m.	--
2.	September 28, 2021	The Company conducted the AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM). Deemed venue was Office No.101A, 'The Capital', G Block, Plot No.C-70, Bandra Kurla Complex, Bandra East, Mumbai - 400051	3.00 p.m.	1) Variation in terms of remuneration of Dr. B. Samal, Executive Chairman of the Company. 2) Re-appointment of Dr. B. Samal as Executive Chairman.
3.	November 07, 2020	The Company conducted the AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM). Deemed venue was Rajabhadur Mansion, 28, Bombay Samachar Marg, Mumbai 400 001	2.30 p.m.	--

### Extraordinary General Meetings / Postal Ballot:

No Extraordinary General Meeting was held during the past 3 years.

### POSTAL BALLOT:

During the year 2022-23, the Company has obtained approval from its Members through Postal Ballot (Physical Postal Ballot form and e-voting facility provided). The details of the Postal Ballot are as follows:

Date of Postal Ballot Notice: November 29, 2022

Remote e-Voting period: December 12, 2022 to January 10, 2023

Date of approval: January 10, 2023

Date of declaration of result: January 11, 2023

The Results of the Postal Ballot are as under:

Particulars of the resolution		Approval of Related Party Transaction under Section 188 of the Companies Act, 2013 read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with IITL-Nimbus The Palm Village
Type of resolution		Ordinary
No. of votes polled		3441777
No. of votes	Votes cast in favour on votes polled	1053515
%		93.91
No. of votes	Votes cast against on votes polled	68318
%		6.09

Ms. Chandanbala Mehta, Practicing Company Secretary (Membership No. F6122) of M/s. Chandanbala Jain & Associates was appointed as a Scrutinizer to scrutinize the postal ballot process by voting through electronic means (remote e-voting) in a fair and transparent manner. The results of the postal ballot were declared on January 11, 2023.

**Procedure for Postal Ballot:**

- The postal ballot was conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014. The postal ballot notice were sent to shareholders as per the permitted mode wherever applicable. The Company had published notices in the newspapers in accordance with the requirements under the Companies Act, 2013 and Listing Regulations.
- The shareholders were provided the facility to vote through Physical Postal Ballot form or e-voting.
- The Company also published a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.
- The Company fixed a cut-off date to reckon paid-up value of equity shares registered in the name of shareholders for the purpose of voting.
- Shareholders cast their votes through Physical Postal Ballot Forms or e-voting during the voting period fixed for this purpose.
- After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot were announced within 48 hours of conclusion of the voting period.
- The results were also displayed on the website of the Company, besides being communicated to the Stock Exchanges, Depositories and Registrar and Share Transfer Agents.

**8. OTHER DISCLOSURES:**

a) Related Party Transactions:

All transactions entered into by the Company with related parties, during the financial year 2022-2023, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Note No. 36 to Financial Statements forming part of this Annual Report.

Also, the Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Companies Act, 2013 read with the Rules issued thereunder and Regulation 23 of the Listing Regulations. The Audit Committee, during the financial year 2022-2023, has approved Related Party Transactions in line with the Policy of dealing with Related Party Transactions and the applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The policy on Related Party Transactions has been placed and can be accessed on the Company's weblink: ([http://www.iitlgroup.com/newStatic/POLICY\\_on\\_materiality\\_of\\_Related\\_Party\\_Transactions\\_Aug\\_2023.pdf](http://www.iitlgroup.com/newStatic/POLICY_on_materiality_of_Related_Party_Transactions_Aug_2023.pdf)).

- b) No penalties or strictures have been imposed on the Company by SEBI, Stock Exchanges or any other statutory authority, for non-compliance of any laws, on any matter related to the capital markets, during the last three years.
- c) The Company has complied with all applicable mandatory requirements in terms of SEBI Listing Regulations. A report on compliances on the applicable laws for the Company is placed before the Board on a quarterly basis for its review.
- d) Review of Directors' Responsibility Statement  
The Board in its Report to the Members of the Company have confirmed that the Annual Accounts for the year ended March 31, 2023 have been prepared as per applicable Indian Accounting Standards (IND AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.
- e) In line with the SEBI Listing Regulations, the Company has obtained a Certificate from M/s Chandanbala Jain & Associates, Company Secretaries that none of Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Board / Ministry of Corporate Affairs or any such statutory authority. The requisite certificate is enclosed to the Report on Corporate Governance as "**Annexure - B**".
- f) The Board of Directors of the Company has accepted the recommendations made by all the Committees.
- g) Total fees for all services rendered to the Company on a consolidated basis by Statutory Auditor, Maharaj N R Suresh and Co. LLP, Chartered Accountants, for the year ended March 31, 2023 are as under:

Particulars	(Amount ₹ in Lacs)
Audit Fees	7.00
Limited review fees	9.75
Other Services	6.00
Out of Pocket Expenses	0.25
<b>Total</b>	<b>23.00</b>

- h) Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of complaints
1.	Number of complaints filed during FY 2022-2023	Nil
2.	Number of complaints disposed off during FY 2022-2023	Nil
3.	Number of complaints pending as on end of FY 2022-2023	Nil

- i) Details of utilization of funds raised through preferential allotment or qualified institutional placement (QIP) as specified under Regulation 32(7A):

The Company does not have funds raised through preferential allotment and / or QIP which are unutilised.

- j) Disclosures with respect to Suspense Escrow Demat Account:

SEBI vide Circular dated January 25, 2022, mandated that the Company / RTA shall verify and process the investor service requests and thereafter issue a 'Letter of Confirmation (LOC)' in lieu of physical share certificate(s). The LOC shall be valid for a period of one hundred twenty days from the date of issuance within which the Member/Claimant shall make a request to the Depository Participant for dematerialising the said shares. In case, the demat request is not submitted within the aforesaid period, the shares shall be credited to the Company's Suspense Escrow Demat Account. In accordance with the above, during the year, the Company has opened "Suspense Escrow Demat Account" with Axis Bank Limited for the purpose of transferring unclaimed equity shares held in physical form and has transferred NIL shares to its Suspense Escrow Demat Account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. Members / claimants can claim back the said shares by submitting the required documents to RTA as per SEBI Advisory dated December 30, 2022.

- k) SEBI Complaints Redress System (SCORES)

SEBI requires all listed companies to process Investor complaints in a centralized web based complaint system called "SEBI Complaints Redress System" (SCORES). The shareholders can lodge their grievances online and view its status.

The activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES within the stipulated period of receipt of the complaint.

## 9. MEANS OF COMMUNICATION

- a) Quarterly and annual financial results of the Company are forwarded to BSE Limited and The National Stock Exchange of India Limited and published in Free Press Journal (English) and Navshakti (Marathi). Half yearly report is not sent to each shareholder. However, the results of the Company are published in the newspapers.
- b) The Company has not made any presentation to any institutional investor or to any analyst during the year.
- c) Management Discussion and Analysis Report forms part of the Directors' Report.

- d) The Company has its website namely www.iitlgroup.com. Annual Report of the Company shall be available on the website in a user friendly and downloadable form. The quarterly / half yearly results are also available on the Company's website.

## 10. GENERAL SHAREHOLDER INFORMATION

### a) Annual General Meeting

Date & Time : Friday, September 22, 2023 at 3.00 p.m.  
Deemed Venue :Office No.101A, 'The Capital', G Block, Plot No.C-70, Bandra Kurla Complex, Bandra East, Mumbai - 400051

### b) Financial Year : 2023-2024

Adoption of Quarterly Results for

Quarter ending	In the month of (Tentative)
----------------	--------------------------------

June 2023	: On or before August 14, 2023
September 2023	: On or before November 14, 2023
December 2023	: On or before February 14, 2024
March 2024	: On or before May 30, 2024

(Audited annual results)

- c) **Book Closure period** : September 15, 2023 to September 22, 2023

- d) **Listing on Stock Exchange** : BSE Limited,  
Dalal Street, Mumbai 400 001  
The National Stock Exchange of India Limited (NSE)  
BKC, Bandra (E), Mumbai 400051

Listing fees, as prescribed, have been paid to the BSE and NSE up to March 31, 2023.

- e) **Stock Code at BSE** : 501295  
**NSE Stock Symbol** : IITL

**ISIN** : INE886A01014

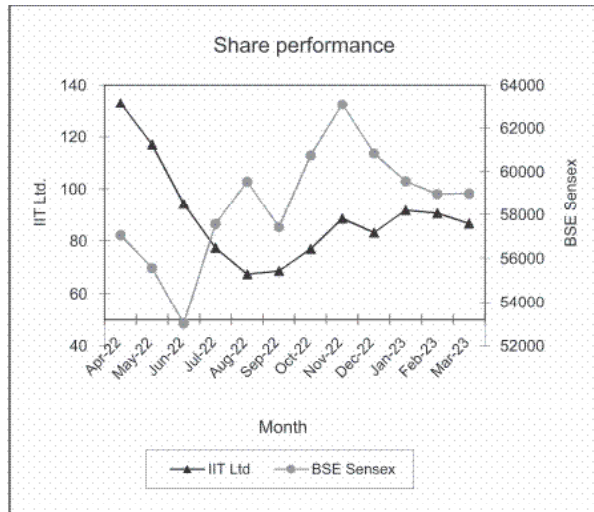
### f) Stock price data at the BSE and NSE

Month	BSE			NSE		
	High (₹)	Low (₹)	Close (₹)	High (₹)	Low (₹)	Close (₹)
April, 2022	137.70	83.30	133.00	101.45	84.20	101.45
May, 2022	147.90	106.25	116.95	Nil*	Nil*	Nil*
June, 2022	128.75	93.60	94.20	101.80	90.50	92.20
July, 2022	92.00	73.70	77.35	95.20	73.55	78.60
August, 2022	79.55	66.60	67.35	79.80	67.25	68.05
September, 2022	83.15	66.10	68.60	83.80	66.55	68.30
October, 2022	87.05	58.10	77.00	87.85	67.15	79.00
November, 2022	95.00	70.10	88.50	94.95	75.05	87.95
December, 2022	91.75	76.30	83.15	91.70	74.00	84.75
January, 2023	123.00	78.70	91.60	114.75	78.00	93.55
February, 2023	101.85	84.00	90.50	102.80	82.55	89.05
March, 2023	93.90	81.00	86.60	94.45	82.15	84.45

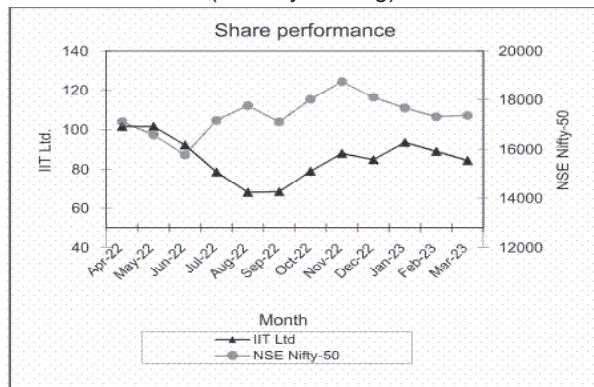
\* There were no trades conducted during said month.

### g) Graph

Share Price / BSE (Monthly Closing)



Share Price / NSE (Monthly Closing)



### h) Registrar and Transfer Agents

Link Intime India Private Limited  
C - 101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai - 400 083. Tel. No.: 022 49186000 / 49186270

### i) Share Transfer System

The Stakeholders Relationship Committee meets as and when required to, inter alia consider issue of duplicate share certificates in lieu of original share certificates reported as lost/stolen/misplaced by the shareholders of the Company.

In terms of amended Regulation 40 of the SEBI Listing Regulations w.e.f. April 01, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/consolidation of securities, transmission/transposition of securities. Vide its Circular No. SEBI/HO/

MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

### j) Details of Shares transferred to IEPF Authority during 2022-23

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), shares on which dividend has not been encashed or claimed for seven consecutive years or more, such shares are liable to be transferred to the Investor Education and Protection Fund (IEPF), a Fund constituted by the Government of India under Section 125 of the Companies Act, 2013. In pursuance to IEPF Rules, 26773 Shares constituting 52 Folios were transferred to IEPF Authority during 2022-23.

The voting rights on the shares outstanding in the IEPF Authority as on March 31, 2023 shall remain frozen till the rightful owner of such shares claims the shares.

### k) Distribution of shareholding as on March 31, 2023

Grouping of Shares	No. of Shareholders	% of total share-holders	No. of Shares per Category	% of total shares
1 - 500	2432	84.24	232691	1.03
501 - 1000	181	6.27	148305	0.66
1001 - 2000	112	3.88	169387	0.75
2001 - 3000	47	1.63	121206	0.54
3001 - 4000	16	0.55	57603	0.26
4001 - 5000	28	0.97	136021	0.60
5001 - 10000	27	0.94	204189	0.90
10001 - 22547550	44	1.52	21478148	95.26
<b>TOTAL</b>	<b>2887</b>	<b>100.00</b>	<b>22547550</b>	<b>100.00</b>

### Shareholding pattern as on March 31, 2023

Category	No. of shares held	% of shareholding
Promoters	94,32,067	41.83
Non Resident Indian (Non Repat & Repat)	16422	0.07
Foreign Portfolio Investors	6,33,000	2.81
Insurance Companies	5,57,054	2.47
Financial Institutions / Banks	53,230	0.24
Central Government / State Government(s)	48,300	0.21
Resident Individuals	14,50,965	6.43

Clearing Member	755	0.00
Trusts	46,750	0.21
Other bodies corporate	36,12,160	16.02
Body Corp-Ltd Liability Partnership	8,001	0.04
Hindu Undivided Family (HUF)	46,609	0.21
Investor Education and Protection Fund Authority Ministry of Corporate Affairs	3,64,687	1.62
Shares held by custodians and against which Depository Receipts have been issued	62,77,550	27.84
<b>TOTAL</b>	<b>2,25,47,550</b>	<b>100.00</b>

**i) Dematerialisation**

The Company has entered into agreements with National Security Depository Limited and Central Depository Services (India) Limited for the dematerialisation of shares. As on March 31, 2023, a total of 2,22,21,430 shares, which forms 98.55% of the share capital of the Company stands dematerialized and 3,26,120 shares which forms 1.45% of the share capital are in physical form.

Members still holding physical share certificates are requested to dematerialize their shares by approaching any of the Depository Participants registered with the Securities and Exchange Board of India (SEBI).

**m) Outstanding GDRs / ADRs / Warrants or any other convertible instruments**

On June 15, 2012, the Company had issued 48,88,775 Global Depository Receipts (GDRs), each GDR representing two Equity Shares of Rs. 10/- each. The GDRs issued by the Company are listed on the Luxembourg Stock Exchange. As on March 31, 2023, the total outstanding GDRs stood at 31,38,775.

Outstanding GDRs as on March 31, 2023 represent 62,77,550 Equity Shares constituting 27.84% of Company's paid-up Equity Share Capital. Each GDR represents two underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered at any time and converted into the underlying equity shares in the Company. The shares so released in favour of the investors upon surrender of GDRs can either be held by investors concerned in their name or sold off in the Indian secondary markets for cash. To the extent the shares so sold in Indian markets, GDRs can be reissued under the available head-room.

**n) Commodity price risk and foreign exchange risk and hedging activities**

The Company is not exposed to any commodity price / foreign exchange risk. No hedging activities were carried out by the Company during the financial year 2022-2023.

**o) Plant Location**

The Company does not have a manufacturing plant.

**p) Address for Correspondence**

Shareholders can correspond with the Registrars & Share Transfer Agents or at the Registered Office of the Company.

**Address of the Registrar & Share Transfer Agents**

**Link Intime India Private Limited**

C - 101, 247 Park,  
LBS Marg, Vikhroli West,  
Mumbai - 400 083  
Tel. No.: 022 49186000 / 49186270

For the convenience of the investors, transfer requests are also accepted at the Registered Office of the Company.

**Address of Registered Office**

Office No.101A, 'The Capital',  
G Block, Plot No.C-70, Bandra Kurla Complex,  
Bandra East, Mumbai - 400051

**Contact Person**

Ms. Cumi Banerjee - CEO (Secretarial, Legal and Admin) & Company Secretary  
Tel. No.: 022 4325 0100

**q) Credit Rating**

The Company does not have any debt instrument, fixed deposit programme or any scheme or proposal for mobilization of funds. Hence, during the financial year ended March 31, 2023 it had not obtained any credit rating for this purpose.

**r) Updation of PAN, KYC details**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 has provided common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC and Nomination details.

As per the said Circular, it is mandatory for the shareholders holding securities in physical form to inter alia furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details are not available on or after 1st April, 2023, shall be frozen by the RTA and will be eligible for lodging any service request or receiving payment including dividend only after registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31st December, 2025.

The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The

relevant forms in this regard have been made available on the website of the Company at [http://www.iitlgroup.com/newStatic/Reports/Regulation\\_30\\_of\\_SEBI\(LODR\)Regulations,2015-22.03.2022.pdf](http://www.iitlgroup.com/newStatic/Reports/Regulation_30_of_SEBI(LODR)Regulations,2015-22.03.2022.pdf). Members are advised to register their details with the RTA, in compliance with the said Circular for smooth processing of their service requests.

**s) Nodal Officer:**

In accordance with the IEPF Rules, the Board of Directors of the Company have appointed Mrs. Cumi Banerjee-CEO (Secretarial, Legal and Admin) & Company Secretary of the Company as the Nodal Officer.

Details of the Nodal Officer for the purpose of coordination with the IEPF Authority are available on the website of the Company at <http://www.iitlgroup.com/newStatic/Contact.aspx>

**Certificate on Corporate Governance**

As required in Schedule V of the Listing Regulations, a Certificate on Corporate Governance issued by M/s Chandanbala Jain & Associates, Practicing Company Secretaries (CP No. 6400) is published as "**Annexure - C**" to this Report.

**Declaration on Compliance with Code of Conduct**

It is hereby affirmed that all the Directors and the senior management personnel have complied with the Code of Conduct framed by the Company and a confirmation to that effect has been obtained from the Directors and senior management personnel.

On behalf of the Board of Directors

**Dr. Bidhubhusan Samal**

Chairman

(DIN: 00007256)

Place : Mumbai

Date: August 18, 2023

**Annexure A**

**CERTIFICATE**  
**[UNDER REGULATION 17 (8) OF SECURITIES AND EXCHANGE BOARD OF INDIA**  
**(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

To,

The Board of Directors  
Industrial Investment Trust Limited  
Mumbai

This is to certify that:

- a) We have reviewed financial statements and the cash flow statements for the year ended March 31, 2023 and that to the best of our knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee

- (i) significant changes, if any, in internal control during the year;
- (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) We have not come across any instances of fraud or fraudulent activities during the year.

Dr. Bidhubhusan Samal  
Chairman

Cumi Banerjee  
CEO (Secretarial, Legal and Admin)  
& Company Secretary

Ajit Kumar Mishra  
Group Chief Financial Officer

Place : Mumbai  
Date : May 27, 2023



**Annexure B**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members of  
**Industrial Investment Trust Limited**  
Office No. 101 A, The Capital,  
G-Block, Plot No. C-70,  
Bandra Kurla Complex,  
Bandra (East), Mumbai-400051.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Industrial Investment Trust Limited having CIN: L65990MH1933PLC001998 and having registered office at Office No.101A, The Capital, G-Block, Plot No.C-70, Bandra Kurla Complex, Bandra (East), Mumbai-400 051 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of in the Company
1	Dr. Bidhubhusan Samal	00007256	05.03.2008
2	Mr. Bipin Agarwal	00001276	08.01.2008
3	Mr. Venkatesan Narayanan	00765294	18.05.2009
4	Ms. Sujata Chattopadhyay*	02336683	26.09.2017
5	Mr. Milind S. Desai	00326235	12.02.2019
6	Mr. Shankar Narayan Mokashi	08943356	12.11.2020

*\*Ms. Sujata Chattopadhyay (DIN: 02336683) is a Director of Felguera Gruas India Private Limited (CIN: U74900AP2009PTC066058), which has delayed in filing their Annual Report and Annual Return for the Financial Year 2019-2020 on the Ministry of Corporate Affairs (MCA) website. However, the same has been filed with late fees subsequently. Also, consequent to this, Registrar of Companies (ROC) has not issued any Order for disqualification u/s 164(2) of Companies Act, 2013. Hence, she may not be viewed as disqualified.*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Chandanbala Jain and Associates**  
Practicing Company Secretaries  
Chandanbala O. Mehta  
Proprietor  
F.C.S. No.: 6122, C. P. No.: 6400

Place: Mumbai  
Date: August 18, 2023  
UDIN: F006122E000825151

**Annexure C**

**Practising Company Secretary's Certificate on Corporate Governance**  
[Pursuant to Regulation 34(3) read with Schedule V Para E of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members of  
**Industrial Investment Trust Limited**  
Office No. 101 A, The Capital,  
G-Block, Plot No. C-70,  
Bandra Kurla Complex,  
Bandra (East), Mumbai-400051

We have examined the compliance of conditions of Corporate Governance by Industrial Investment Trust Limited, for the year ended on March 31, 2023, as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For **Chandanbala Jain & Associates**  
Practicing Company Secretaries

Chandanbala O. Mehta  
Proprietor  
FCS No. 6122, C P No. 6400  
PR: 1517/2021

Place: Mumbai  
Date: August 18, 2023  
UDIN: F006122E000825138

# **INDUSTRIAL INVESTMENT TRUST LIMITED**

## **STANDALONE FINANCIAL STATEMENTS**

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDUSTRIAL INVESTMENT TRUST LIMITED

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

#### Qualified Opinion

We have audited the accompanying standalone financial statements of **M/s. Industrial Investment Trust Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss for the year, the statement of changes in equity, and the statement of Cash flows for the year then ended and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, **except for the effect of Material Uncertainty Relating to Going Concern of one of the Subsidiary described in the "Basis for Qualified Opinion, section of this report**, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, changes in equity and its cash flows for the year ended on that date.

#### Basis of Qualified Opinion

The subsidiary IITL Projects Limited being a listed entity the company made provision for differences in the quoted fair value of the investments and its carrying amount in the books of the Company as required by Ind AS 27 read with Ind AS 113. However, as stated in note no 41(a) of the Statement of financial results regarding investment in its subsidiary IITL Projects Limited, the financials result of the subsidiary have been prepared on a going concern basis, although the subsidiary company is incurring continuous losses and its net worth is negative as on March 31, 2023. In view of the adverse cashflows of the Joint Ventures (JVs) namely IITL-Nimbus, The Hyde Park Noida, IITL-Nimbus The Express Park View, IITL- Nimbus The Palm Village and Capital Infra Projects Limited their ability to continue as a going concern is doubtful. Based on the financial statement of joint venture as well estimated cash flow, the investment in three joint ventures namely IITL-Nimbus Express park view, IITL -Nimbus The Hyde Park and Capital infra Projects are fully impaired and recognised. Further as at 31 March 2023 the accumulated losses of subsidiary is ₹ 6047.06 lakhs exceeds the paid up equity capital and the net worth of the Subsidiary stands fully eroded. The current liabilities of the Company exceed its current assets and non-current liabilities dues towards redeemable preference shares is more than the estimated realizable value of the other non-current assets. These conditions indicate the existence of uncertainty that may cast significant doubt on the Subsidiary ability to continue as a going concern. The ultimate outcome of the above is not ascertainable at present and hence we are unable to comment on the consequential impact, if any on the accompanying Financial Statements.

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

#### Emphasis of Matter

- i) We draw attention to note no 41(b) of the Statement regarding investment in its subsidiary IITI Management and Consultancy Private Limited (formerly known as IIT Insurance Broking and Risk Management Private Limited), the management of the Company is of the view, for the reasons stated in the note, that impairment of ₹ 127.07 lakhs towards equity investment as at March 31, 2023 is considered adequate based on audited net worth as at March 31, 2023 .
- ii) We draw attention to note no 41(c) of the Statement, regarding investment in joint venture, IIT Investtrust Limited, (IITIL) . the management of the Company is of the view, for the reasons stated in the note, that impairment of ₹ 344.61 lakhs towards equity investment as at March 31, 2023 is considered adequate based on audited net worth as at March 31, 2023.
- iii) We draw attention to note no 41(d) of the Statement, regarding investment in associate company World Resorts Limited (WRL"). The associate has incurred loss in the current period and the net worth of the associate has eroded. The management of the Company is of view, for the reasons stated in the note, that impairment of ₹ 1551.81 lakhs towards equity investments and ₹ 1099.14 lakhs towards Preference share investments as at March 31, 2023 is considered adequate .
- iv) We draw attention to note no 42 of Statement the Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. vide said letter, the RBI has prohibited the Company not to expand its credit/investment portfolio other than investment in Government Securities till net Non-Performing Assets ("NPAs") are brought down to below 5%.

Our opinion is not modified in respect of the above matters.

### 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 standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the “Basis for Qualified opinion section” we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor’s Response
<p><b>Carrying Value of Investment</b></p> <p>(Refer Note 2.11 “Financial Instrument” and Note 7 and Note 44 of the Standalone Financial Statements)</p> <p>The investments portfolio in Subsidiaries, Associate and Joint venture is valued at ₹ 576820.98 (in thousands) as at March 31, 2023. The Impairment review of unquoted investment is considered to be risk area due to the size of the balances as well as the judgmental nature of key assumptions which may be subject to management override.</p> <p>Impairment assessment commences with management’s evaluation on whether there is an indication of impairment loss. As part of such evaluation, management considers financial information, liquidity and solvency position of subsidiaries, associates and joint venture.</p> <p>Management also considers other factors such as assessment of company’s operations, business performance and modifications, if any, by the auditors of such subsidiaries, associates and joint venture. Based on such evaluation the Company has made impairment provisions against the above investments.</p> <p>We focused on this area due to magnitude of the carrying value of investments in subsidiaries, associates and joint venture, which comprise 16.00 % of the total assets as at March 31, 2023 and are subject to annual impairment assessment.</p>	<p>Our audit procedures included and were not limited to the following:</p> <ol style="list-style-type: none"> <li>Reviewed the Accounting Policies used by the Company for accounting and disclosing Investment for compliance with the accounting framework.</li> <li>Evaluated the valuation methodology recommended by the valuation expert.</li> <li>Assessed the adequacy of internal controls, evaluated the design and tested the operating effectiveness of such controls for initial recognition, subsequent measurement and disclosure of investments as on the reporting date as per applicable regulations.</li> <li>Held discussions with management regarding appropriate implementation of policy on impairment.</li> <li>Obtained and read latest audited financial statements of subsidiaries and associates. Noted key financial attributes.</li> </ol> <p>We evaluated the impairment assessment performed by management</p>
<p><b>Investment in Government Securities</b></p> <p>As on 31<sup>st</sup> March 2023, the carry has invested in Government Securities of ₹ 27820.64 Lakhs .We consider Investment in Government Securities as a key audit matter given the relative size of the balance in the financial statements.</p>	<p>We have verified and tested the design and operating effectiveness of controls with regard to Investemnt in Government Securities.</p> <p>We have verified all the purchase contracts as well as Holding statement .</p> <p>We have also received confirmation from broker directly which corroborates with the result of our audit procedure.</p>

### Information other than the Financial Statements and Auditors reports Thereon

The company’s Board of Directors is responsible for the other information. The other information comprises the information included in Board’s Report, Management Discussion & Analysis Report, but does not include the financial statements and our auditor’s report thereon. The Board’s Report, Management Discussion & Analysis Report, Business Responsibility Report is expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when

it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the reports, if we conclude that there is a material misstatement there in, we are required to communicate the matter to those charged with governance.

### Management Responsibilities for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these standalone financial statements that

give a true and fair view of the financial position and financial performance, and the cash flow of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting standards 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company 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.

The Board of Directors are responsible for overseeing the Company financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone 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 judgement and maintain professional scepticism 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company 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.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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 Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representation received from the directors as on 31<sup>st</sup> March 2023 and taken on record by the Board of directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to the financial statements, and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over with reference to the financial statements.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197 (16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) 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 has disclosed impact of Pending litigation

on its financial position in its Standalone Financial Statements -Refer Note 29.

- ii. the Company did not have any long-term contracts, including derivative contracts; and
- iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of it’s knowledge and belief, 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 persons or entities, including foreign entities (“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 it’s knowledge and belief, no funds have been received by the division from any persons or entities, including foreign entities (“funding Parties”), with the understanding, whether recorded in writing or otherwise, that the diviison 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; and  
  
(c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances; nothing has come to the notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. a) The company has not declared any final dividend for the financial year 2021-2022 and interim dividend for the financial year 2022-23.

- b) The Company has not proposed any final dividend up to the date of our report.
- vi. Provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 of the Order.

For Maharaj N R Suresh and co LLP  
Chartered Accountants  
FRN NO:001931S/S000020

K V Srinivasan  
Partner  
Membership  
NO:204368  
UDIN:23204368BGWWUY9180

Place: Mumbai  
Date: May 27, 2023



**Annexure – A” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of M/s. INDUSTRIAL INVESTMENT TRUST LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

**We have audited the Internal Financial controls with reference to financial statements of INDUSTRIAL INVESTMENT TRUST LIMITED (“the Company”) as of March 31, 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 Management is responsible for establishing and maintaining Internal Financial controls with reference to financial statements criteria established by the Company, considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial controls with reference to financial statements, issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s Internal Financial controls with reference to financial statements Internal Financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial controls with reference to financial statements (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls System over Financial Reporting and their operating effectiveness. Our audit of Internal Financial controls with reference to financial statements included obtaining an understanding of Internal Financial controls with reference to financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditors’ 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 division Internal Financial Controls System over Financial Reporting.

**Meaning of Internal Financial controls with reference to financial statements**

A company’s Internal Financial Control over Financial Reporting 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 Control over Financial Reporting includes those policies and procedures that:

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) 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
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial controls with reference to financial statements**

Because of the inherent limitations of Internal Financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial controls with reference to financial statements to future periods are subject to the risk that the Internal Financial Control over Financial Reporting 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 division has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial controls with reference to financial statements were operating effectively as at March 31, 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 on Audit of Internal Financial controls with reference to financial statements issued by ICAI.

For Maharaj N R Suresh and co LLP  
Chartered Accountants  
FRN NO:001931S/S000020

K V Srinivasan  
Partner  
Membership  
NO:204368  
UDIN:23204368BGWWUY9180

Place: Mumbai  
Date: May 27, 2023

**“Annexure B” to the Independent Auditors Report**

**(referred to in paragraph 15 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended 31<sup>st</sup> March, 2023.)**

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm 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) The Company has a programme of physical verification of these Property, Plant and Equipment so as to cover all the assets once in every year, which in our opinion is reasonable having record to the size of the company and nature of its assets According to the information and explanations given to us no material discrepancy were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as of 31<sup>st</sup> March 2023 for holding any benami property under Benami Transaction (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) As the Company do not have any inventory during the year. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institution on the basis of security of current assets and hence reporting under clause 3(ii) (b) of the order is not applicable.
- (iii) During the year the Company has made investments in Government securities, has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, firms, Limited liability partnerships or any other parties.
  - (a) The company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
  - (b) In our opinion, the Investment made during the year are, prima facie, not prejudicial to the Companies Interest.
- (c) The company has not granted any loans during the reporting period. Hence, reporting under clause 3(iii)(c) of the Order is not applicable.
- (d) The company has not granted any loan during the reporting period. Hence, reporting under clause 3(iii)(d) of the Order is not applicable.
- (e) The company has not granted any loan or renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Hence, reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying and terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of investments and Guarantee provided by the Company. The Company has not granted loans to any company covered under Section 185.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed maintenance of Cost Records under Sub-section (1) of Section 148 of the Companies Act, 2013. Accordingly the clause 3 (vi) of the order is not applicable to the company.
- (vii) In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There are no dues of Income Tax or Sales Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax, Cess and Goods and Service Tax have not been deposited as on 31<sup>st</sup> March 2023 on account of any disputes.
- (viii) 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) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from nay entity or persons on account of or to meet the obligation of its subsidiaries and Joint venrures.. Hence, reporting under clause 3(ix)(e) not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public of offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (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 upto the date of this report.
- (c) The company has not received any whistle blower complaints during the year(and upto the date of this report), while determining the nature, timing and extent of our audit procedure.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system Commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.
- 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 provision of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934,and it has obtained registration.
- (b) The Company has not conducted any Non-Banking financial or Housing Finance activities during the year.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulation made by the Reserve Bank of India.Accordingly,Provisions of Clause 3(xvi)( c) of the order are not applicable.
- (d) As represented by the management which we have relied upon,the IITL Group does not have any core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions,2016,hence reporting under clause (xvi) (d) of the order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and incurred cash loss in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditor of the Company during the Year.
- xix. 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 and 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 indicating that 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. In our opinion,and according to the information and explanations provided to us,CSR under section 135 is not applicable to the Company.Therefore provisions of clause (XX) of Paragraph 3 of the order are not applicable to the Company.

For Maharaj N R Suresh and co LLP  
Chartered Accountants  
FRN NO:001931S/S000020

K V Srinivasan  
Partner  
Membership  
NO:204368  
UDIN:23204368BGWWUY9180

Place: Mumbai  
Date: May 27, 2023

**BALANCE SHEET AS AT MARCH 31, 2023**

(₹ in '000)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b><u>I. Financial assets</u></b>			
Cash and cash equivalents	3	27,161.79	5,748.24
Bank balances other than cash and cash equivalents	4	147,572.65	2,467,682.84
Receivables	5		
(i) Trade receivables		873.06	-
(ii) Other receivables		4,790.64	4,850.53
Loans	6	-	-
Investments	7	3,358,885.09	609,035.46
Other financial assets	8	6,606.16	4,050.14
		<b>3,545,889.39</b>	<b>3,091,367.21</b>
<b><u>II. Non-financial assets</u></b>			
Current tax assets (net)	9	376.57	8,128.96
Deferred tax assets (net)	10	-	61,051.42
Property, plant and equipment	11	5,877.03	13,711.28
Other non-financial assets	12	51,142.64	46,020.10
		<b>57,396.24</b>	<b>128,911.76</b>
<b>Total Assets</b>		<b>3,603,285.63</b>	<b>3,220,278.97</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b><u>I. Financial Liabilities</u></b>			
Payable	13		
(i) Trade payable			
- total outstanding dues of micro enterprises and small enterprises		388.48	303.74
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,724.51	26,031.14
Other financial liabilities	14	3,189.73	12,363.53
		<b>5,302.72</b>	<b>38,698.41</b>
<b><u>II. Non-financial Liabilities</u></b>			
Provisions	15	6,550.65	6,582.48
Deferred tax liabilities (net)	10	30.26	-
Other non-financial liabilities	16	36,954.20	50,748.02
		<b>43,535.11</b>	<b>57,330.50</b>
<b><u>III. EQUITY</u></b>			
Equity Share Capital	17	225,475.50	225,475.50
Other equity	18	3,328,972.30	2,898,774.56
		<b>3,554,447.80</b>	<b>3,124,250.06</b>
<b>Total Liabilities and Equity</b>		<b>3,603,285.63</b>	<b>3,220,278.97</b>

Significant accounting policies

2

The accompanying notes (1-53) form integral part of the financial statements.

Vide our report of even date attached

**For Maharaj N R Suresh and Co.LLP**

Chartered Accountants

Firm Registration No. 001931S/S000020

**K V SRINIVASAN**

Partner

Membership No. 204368

Mumbai : May 27, 2023

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

**DR. B. SAMAL**

Chairman

DIN : 00007256

Place : Mumbai

**CUMI BANERJEE**

CEO & Company Secretary

Mumbai : May 27, 2023

**BIPIN AGARWAL**

Director

DIN : 00001276

Place : Delhi

**AJIT MISHRA**

Chief Financial Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

(₹ in '000)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from Operations			
Interest income	19	146,863.19	32,343.73
Net gain on fair value changes	20	5,903.39	35,434.52
Total revenue from operations		152,766.58	67,778.25
Other income	21	6,453.81	4,787.14
<b>Total Income</b>		<b>159,220.39</b>	<b>72,565.39</b>
<b>Expenses</b>			
Finance costs	22	1,806.49	2,546.67
Impairment on financial instruments	23	(402,428.55)	(17,555.26)
Employee benefits expenses	24	14,517.58	13,243.78
Depreciation, amortization and impairment	25	9,403.55	9,344.05
Other expenses	26	24,533.50	21,532.55
<b>Total Expenses</b>		<b>(352,167.43)</b>	<b>29,111.79</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>511,387.82</b>	<b>43,453.60</b>
Exceptional items	27	-	1,039,500.00
<b>Profit/(loss) before tax</b>		<b>511,387.82</b>	<b>(996,046.40)</b>
<b>Tax expenses</b>	28		
Current tax		24,988.31	-
Deferred tax		56,604.04	(15.28)
Earlier year		(142.14)	-
		<b>81,450.21</b>	<b>(15.28)</b>
<b>Profit/(Loss) for the year</b>		<b>429,937.61</b>	<b>(996,031.12)</b>
<b>Other comprehensive income/(expenses)</b>			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		351.52	1,579.05
Tax on remeasurement of defined benefit - Actuarial gain or loss		(91.39)	(410.55)
<b>Other comprehensive income/(expenses)</b>		<b>260.13</b>	<b>1,168.50</b>
<b>Total comprehensive income/(expenses) for the year</b>		<b>430,197.74</b>	<b>(994,862.62)</b>
Earning per Equity Shares of ₹ 10 each			
- Basic and Diluted	30	19.07	(44.17)
Significant accounting policies			
The accompanying notes (1-53) form integral part of the financial statements.			

Vide our report of even date attached  
**For Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

**K V SRINIVASAN**  
Partner  
Membership No. 204368

Mumbai : May 27, 2023

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

**DR. B. SAMAL**  
Chairman  
DIN : 00007256  
Place : Mumbai

**CUMI BANERJEE**  
CEO & Company Secretary

Mumbai : May 27, 2023

**BIPIN AGARWAL**  
Director  
DIN : 00001276  
Place : Delhi

**AJIT MISHRA**  
Chief Financial Officer

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

**(A) Share capital**

(₹ in '000)

	<b>Equity Share Capital</b>
<b>As at April 1, 2021</b>	225,475.50
Changes in equity share capital	-
<b>As at March 31, 2022</b>	225,475.50
Changes in equity share capital	-
<b>As at March 31, 2023</b>	225,475.50

**(B) Other equity**

**Reserve and Surplus**

(₹ in '000)

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Other comprehensive income	Retained earnings	Total
<b>Balance as at April 1, 2022 (A)</b>	0.75	4,186,487.47	185,542.59	322,407.00	2,701.66	(1,798,364.91)	<b>2,898,774.56</b>
Change in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
<b>Addition during the year</b>							
Profit/(Loss) for the year	-	-	-	-	-	429,937.61	<b>429,937.61</b>
Item of OCI for the year (net of taxes)	-	-	-	-	260.13	-	<b>260.13</b>
Remeasurement of the net defined benefit plan	-	-	-	-	260.13	-	<b>260.13</b>
<b>Total Comprehensive Income for the year 2021-22 (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>260.13</b>	<b>429,937.61</b>	<b>430,197.74</b>
<b>Reduction during the year</b>							
Transfer to special reserve	-	-	-	85,986.34	-	(85,986.34)	-
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>85,986.34</b>	<b>-</b>	<b>(85,986.34)</b>	<b>-</b>
<b>Balance as at March 31, 2023 (A+B-C)</b>	<b>0.75</b>	<b>4,186,487.47</b>	<b>185,542.59</b>	<b>408,393.34</b>	<b>2,961.79</b>	<b>(1,454,413.64)</b>	<b>3,328,972.30</b>
<b>Balance as at April 1, 2021 (A)</b>	0.75	4,186,487.47	185,542.59	322,407.00	1,533.16	(802,333.79)	<b>3,893,637.18</b>
Change in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
<b>Addition during the year</b>							
Profit/(Loss) for the year	-	-	-	-	-	-	-
Item of OCI for the year (net of taxes)	-	-	-	-	-	(996,031.12)	<b>(996,031.12)</b>
Remeasurement of the net defined benefit plan	-	-	-	-	1,168.50	-	<b>1,168.50</b>
<b>Total Comprehensive Income for the year 2021-22(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,168.50</b>	<b>(996,031.12)</b>	<b>(994,862.62)</b>
<b>Reduction during the year</b>							
Transfer to special reserve	-	-	-	-	-	-	-
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at March 31, 2022 (A+B-C)</b>	<b>0.75</b>	<b>4,186,487.47</b>	<b>185,542.59</b>	<b>322,407.00</b>	<b>2,701.66</b>	<b>(1,798,364.91)</b>	<b>2,898,774.56</b>

Significant accounting policies

2

The accompanying notes (1-53) form integral part of the financial statements.

Vide our report of even date attached  
**For Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

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

**DR. B. SAMAL**  
Chairman  
DIN : 00007256  
Place : Mumbai

**BIPIN AGARWAL**  
Director  
DIN : 00001276  
Place : Delhi

**K V SRINIVASAN**  
Partner  
Membership No. 204368

**CUMI BANERJEE**  
CEO & Company Secretary

**AJIT MISHRA**  
Chief Financial Officer

Mumbai : May 27, 2023

Mumbai : May 27, 2023

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash Flow from operating activities</b>		
<b>Profit/(Loss) Before Tax</b>	<b>511,387.82</b>	<b>(996,046.40)</b>
Adjustments for:		
Depreciation on property, plant and equipment	9,403.55	9,344.05
Reversal of provision for sub-standard asset	(440,546.42)	(18,540.00)
Provision/impairment on investment	38,117.87	984.74
Interest on income tax provision	138.57	-
Profit on sale of Property, plant and equipment	0.24	-
Loss on sale of investment in Joint Venture	-	1,039,500.00
Finance cost on leased liabilities	1,667.92	2,546.67
Net gain on fair value changes	(5,903.39)	(35,434.52)
Interest Income	(146,871.94)	(33,188.97)
<b>Operating profit/(loss) before working capital changes</b>	<b>(32,605.78)</b>	<b>(30,834.43)</b>
<u>Changes in working capital</u>		
Other financial assets	(2,556.02)	(246.89)
Other non-financial assets	(3,385.13)	(4,322.78)
Trade payable	(24,221.89)	656.71
Trade receivable	(873.06)	-
Other financial liabilities	(8,780.99)	(4,958.05)
Other non-financial liabilities	(13,793.82)	4,880.99
Provisions	319.69	943.48
Dividend account balance with bank	392.81	737.05
<u>Other adjustments</u>		
Loans realised :		
Associates	-	28,500.00
Others	440,546.42	-
Interest received		
Associates	9,165.54	17,967.25
Others	89,501.72	11,394.15
Bank balances not considered as cash and cash equivalents		
Placed	(2,586,650.15)	(2,457,290.37)
Matured	4,906,326.14	183,723.21
<b>Cash generated/(used in) from operations</b>	<b>2,773,385.48</b>	<b>(2,248,849.68)</b>
Direct Tax refund/(paid)	(12,231.65)	7,272.40
<b>Net Cash (outflow) from operating activities</b>	<b>2,761,153.83</b>	<b>(2,241,577.28)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>B. Cash flow from Investing activities</b>		
Purchase of Property, plant and equipment (net)	(1,528.14)	(3,840.50)
Investment in government securities	(2,782,064.11)	-
Interest received from Government securities	45,912.70	-
Impairment for Investment	-	2,250,000.00
<b>Net Cash inflow from investment activities</b>	<b>(2,737,679.55)</b>	<b>2,246,159.50</b>
<b>C. Cash flow from financing activities</b>		
Dividend and tax on dividend	(392.81)	(737.05)
Lease liability	(1,667.92)	(2,546.67)
<b>Net Cash (outflow) from financing activities</b>	<b>(2,060.73)</b>	<b>(3,283.72)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>21,413.55</b>	<b>1,298.50</b>
Cash and cash equivalents at the beginning of the year	5,748.24	4,449.74
<b>Cash and cash equivalents at the end of the year</b>	<b>27,161.79</b>	<b>5,748.24</b>

Notes:

1. The above statement of cash flows should be read in conjunction with the accompanying notes.
2. Cash from operating activities has been prepared following the Indirect Method.
3. Component of cash and cash equivalents are defined in Note 3.

Significant accounting policies

2

The accompanying notes (1-53) form integral part of the financial statements.

Vide our report of even date attached  
**For Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

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

**DR. B. SAMAL**  
Chairman  
DIN : 00007256  
Place : Mumbai

**BIPIN AGARWAL**  
Director  
DIN : 00001276  
Place : Delhi

**K V SRINIVASAN**  
Partner  
Membership No. 204368

**CUMI BANERJEE**  
CEO & Company Secretary

**AJIT MISHRA**  
Chief Financial Officer

Mumbai : May 27, 2023

Mumbai : May 27, 2023



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1 Corporate Information

Industrial Investment Trust Limited (the Company) is a Public company incorporated under the provisions of the Companies Act, 1913. The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with the Reserve Bank of India. The Company has been classified as an Investment Company.

### 2 Significant Accounting Policies

#### 2.1 Basis of preparation

These financial statements are Separate Financial Statements as per Ind AS 27 - Separate Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended till date and notification issued by Ministry of Corporate affairs on October 11, 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016.

The Company follows the Systemically Important Non-Banking Financial (Non Deposit taking Company or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 as amended till date (RBI guidelines).

The financial statements have been prepared on a historical cost basis, except for the following:

- a) certain financial assets and liabilities are measured at fair value; and
- b) defined benefit plans - plan assets measured at fair value

#### 2.2 Functional and Presentation Currency

The financial statements are prepared in Indian Rupees, which is the Company's functional currency.

#### 2.3 New and amended standards adopted by the Company

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, and the major amendments are as below:

- a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and also identify and eliminate immaterial accounting policies from the financial statements. 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 standalone financial statements.
- b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' which was absent hitherto, 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 standalone financial statements.
- c) 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 standalone financial statement.

#### 2.4 Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, cheques, drafts on hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less, and balance in foreign currency travellers cards.

#### 2.5 Investments

Investments in Subsidiaries / Associates / Joint venture are carried at cost in the financial statements less impairment if any. However, Investment in preference shares are shown at fair value. Other Investments are Carried at Fair value.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 2.6 Non-Current Assets held for Sale

A Non Current Asset is classified as held for sale if its carrying amount will be recovered principally through sale rather than through its continuing use, is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale, it is highly probable that sale will take place within next 1 year and sale will not be abandoned.

### 2.7 Property, Plant and Equipment

Items of property, plant and equipment stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The residual useful life of Property, Plant and Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates, depreciation methods, estimated useful lives and residual value.

Depreciation and Amortisation methods, estimated useful lives and residual value.

Depreciation on Property, Plant and Equipment has been provided on the written down value method at the rates determined based on the useful life prescribed in Schedule II to the Act.

Assets	Estimated Useful Life (Years)
Buildings	60 Years
Furniture and fixtures	10 Years
Computers	2-5 Years
Office Equipment	5 Years
Vehicles	8 Years

### De-recognition

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

### 2.8 Trade receivable

Trade receivables are recognised initially at fair value and subsequently measured at amortized cost using effective interest rate method less provision for impairment by applying expected credit loss.

### 2.9 Investment Property

The Company's Investment Property is initially recognised at cost comprising the purchase price and directly attributable transaction costs. Subsequently it is measured at cost model which is cost less accumulated depreciation and any accumulated impairment losses, other than those which meets the criteria and classified as held for sale.

### 2.10 Foreign Currency Transactions:

Transactions in foreign currencies are translated to reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognized as income or expense in the Statement of Profit and Loss.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing date rates and unrealized translation differences are included in the Statement of Profit and Loss.

### 2.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

### Financial assets

#### a) Classification

The Company classifies its financial assets in the following measurement categories:

- i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- ii) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

#### b) Measurement

Initial recognition :

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

- i) fair value (either through other comprehensive income or through profit or loss), or
- ii) amortized cost

Debt instruments :

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

The company classifies its debt instruments into three measurement categories:

- i) **Amortized Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- ii) **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- iii) **Fair Value through Profit or Loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises. Interest income from these financial assets are recognized in the Statement of profit and loss.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 2.11 Financial Instruments (Contd.)

c) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Company follows twelve month ECL or life time ECL based on the increase in credit risk of the financial assets. However the Company shall provide for non-performing assets as per RBI guidelines.

d) Income

Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset except in case of non-perming assets, where it is recognised upon realisation, as per the RBI guidelines.

e) De-recognition

A financial asset is derecognised only when:

- i) the rights to receive cash flows from the asset have expired, or
- ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient. or
- iii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Financial liabilities

a) Measurement

Initial recognition :

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

Subsequent Measurement :

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

b) De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

### 2.12 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transition to sell the asset or transfer or transfer liability takes place either:

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are more appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable input and minimizing the use of unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets of liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristic and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.13 Provisions, contingent liabilities and contingent assets

#### Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

#### Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### Contingent assets

Contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### 2.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

### 2.15 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined by Ind AS- 108, "Operating segment".

Company's income and expenses including interest are considered as part of un-allocable income and expenses which are not identifiable to any business segment. Company's asset and liabilities are considered as part of un-allocable assets and liabilities which are not identifiable to any business.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 2.16 Employee Benefit Expense

#### a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at an undiscounted amount in respect of employees' service up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

#### b) Long-term employee benefits

##### 1) Defined contribution plan

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company makes monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Employees Provident Fund Organisation. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligation beyond making the contribution. The Company's contributions to Defined Contribution Plan are charged to Statement of Profit and Loss as incurred.

##### 2) Defined benefit plans

###### i) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes contribution to a fund managed by LIC of India based on management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

###### ii) Compensated absences

The Company provides for the encashment of leave or leave with pay subject to certain rules. The Employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The Company makes provision for compensated absences based on management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

### 2.17 Leases

#### a) where the Company is the lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 2.17 Leases (Contd.)

or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

- b) where the Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### 2.18 Taxation

Taxes on income comprise of Current Tax and Deferred Tax.

#### a. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretations. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

#### b. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

### 2.19 Earnings per share

Earnings per share is calculated by dividing the net profit or loss before Other Comprehensive Income (OCI) for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI 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.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 2.20 Other revenue recognition

- (i) Rental income is accrued on the basis of the agreement.
- (ii) Dividend income is accounted for when the right to receive is established.

### B Key Accounting Estimates and Judgments

#### 2.21 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### 2.22 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

##### a) Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

##### b) Useful life of Property, Plant and Equipments

The Company reviews the estimated useful lives of Property, Plant and Equipment at the end of each reporting period. During the current year, there has been no change in useful life considered for the assets.

##### c) Actuarial valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the State of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

##### d) Claims, Provisions and Contingent Liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on Management's assessment of specific circumstances of each dispute and relevant external advice, Management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 3 : Cash and cash equivalents**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	24.31	27.05
Balances with banks		
- In current accounts	4,830.27	5,721.19
- in deposit accounts with original maturity of less than 3 months	22,307.21	-
<b>Total</b>	<b>27,161.79</b>	<b>5,748.24</b>

**Note 4 : Bank balances other than cash and cash equivalents**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
In earmarked accounts - unpaid dividend accounts	-	392.81
Term deposit with original maturity for more than 3 months but less than 12 months	1,47,572.65	24,67,290.03
<b>Total</b>	<b>1,47,572.65</b>	<b>24,67,682.84</b>

**Note 5 : Receivables**

**(i): Trade receivables**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Receivable considered good - unsecured	873.06	-
<b>Total</b>	<b>873.06</b>	<b>-</b>

**As on 31.03.2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 - 3 years	3 years and more	
(i) Undisputed Trade receivables- considered good	873.06	-	-	-	-	873.06
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables - credit impaired						
<b>Total</b>	<b>873.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>873.06</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

As on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 - 3 years	3 years and more	
(i) Undisputed Trade receivables- considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables - credit impaired						
<b>Total</b>	-	-	-	-	-	-

(ii) : Other receivables

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Receivable considered good - unsecured		
Interest accrued but not due on bank deposits	4,790.64	4,850.53
<b>Total</b>	<b>4,790.64</b>	<b>4,850.53</b>

As on 31.03.2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 - 3 years	3 years and more	
(i) Undisputed Trade receivables- considered good	2,550.31	1,956.54	283.79	-	-	4,790.64
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables - credit impaired						
<b>Total</b>	<b>2,550.31</b>	<b>1,956.54</b>	<b>283.79</b>	-	-	<b>4,790.64</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 5 : Receivables (contd.)  
(ii) : Other receivables (contd.)  
As on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 - 3 years	3 years and more	
(i) Undisputed Trade receivables- considered good	1,633.71	2,027.51	1,189.30	-	-	4,850.53
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables - credit impaired						
<b>Total</b>	<b>1,633.71</b>	<b>2,027.51</b>	<b>1,189.30</b>	<b>-</b>	<b>-</b>	<b>4,850.53</b>

Note 6 : Loans

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(A) At amortised cost</b>		
<u>Terms loans</u>		
(a) Standard assets:		
to Entity jointly controlled by Subsidiaries	-	-
(b) Sub-standard assets:		
to Entity jointly controlled by Subsidiaries	-	4,40,546.42
to Associates	-	-
Less: Expected Credit Loss Allowance	-	-
Less: Provision for Non-performing asset	-	(4,40,546.42)
	-	-
<b>(B) At fair value</b>		
(i) Through Other Comprehensive Income	-	-
(ii) Through Profit or loss	-	-
(iii) Designated at fair value through profit or loss	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Disclosures:

i) Details of loans and advances in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested: (₹ in '000)

Name of the Company and relationship	As at March 31, 2023	As at March 31, 2022
<b>Entities jointly controlled by Subsidiary</b>		
IITL Nimbus The Express Park View	-	2,47,751.46
IITL Nimbus The Palm Village	-	30,000.00
IITL-Nimbus The Hyde Park Noida	-	1,62,794.96
<b>Total</b>	-	<b>4,40,546.42</b>

ii) Provisions for non-performing assets (₹ in '000)

Name of the Company and relationship	As at March 31, 2023	As at March 31, 2022
<b>Entities jointly controlled by Subsidiary</b>		
IITL Nimbus The Express Park View	-	2,47,751.46
IITL Nimbus The Hyde Park	-	1,62,794.96
IITL Nimbus The Palm Village	-	30,000.00
<b>Total</b>	-	<b>4,40,546.42</b>

iii) Other Information (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Loans</b>		
<b>At Amortised Cost</b>		
<b>(A)</b>		
(i) Term loans	-	4,40,546.42
<b>Total (A) - Gross</b>	-	<b>4,40,546.42</b>
Less: Expected credit loss	-	-
Less:- Provision for non-performing asset	-	(440,546.42)
<b>Total (A) - Net</b>	-	-

<b>(B)</b>		
(i) Secured	-	-
(ii) Unsecured	-	4,40,546.42
<b>Total (B) - Gross</b>	-	<b>4,40,546.42</b>
Less: Expected credit loss	-	-
Less: Provision for non-performing asset	-	(4,40,546.42)
<b>Total (B) - Net</b>	-	-

<b>(C)</b>		
<b>(I) Loans in India</b>		
<b>(i) Others</b>		
to entity under significant influence	-	4,40,546.42
to associates	-	-
<b>Total (C) - Gross</b>	-	<b>4,40,546.42</b>
Less: Expected credit loss	-	-
Less: Provision for non-performing asset	-	(4,40,546.42)
<b>Total (C) - Net</b>	-	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**Note 7 : Investments**

Particulars	Face Value	As at March 31, 2023		As at March 31, 2022	
		Holding Nos.	Amount (₹ in '000)	Holding Nos.	Amount (₹ in '000)
<b>(A) Investments in Government securities (Amortised cost)</b>					
RBI- Treasury Bill			2,782,064.11		-
<b>(B) Investment in Subsidiaries:</b>					
<b>Equity shares, unquoted (at cost)</b>					
IITL Projects Limited	10	3,580,347	136,123.09	3,580,347	136,123.08
Less: Impairment loss allowance (refer note 41(a))			(77,942.45)		(75,794.23)
			<b>58,180.64</b>		<b>60,328.85</b>
<b>Equity shares, unquoted (at cost)</b>					
IIT Investrust Limited	10	12,375,000	117,410.00	12,375,000	117,410.00
Less: Impairment loss allowance (refer note 41(c))			(34,461.86)		-
			<b>82,948.14</b>		<b>117,410.00</b>
IITL Management and Consultancy Private Limited (Formerly IIT Insurance Broking and Risk Management Pvt Ltd)	10	2,500,000	25,000.00	2,500,000	25,000.00
Less: Impairment loss allowance (refer note 41(b))			(12,707.80)		(11,200.00)
			<b>12,292.20</b>		<b>13,800.00</b>
<b>Preference shares, Unquoted (at FVTPL)</b>					
IITL Projects Limited	10	7,000,000	-	7,000,000	-
<b>Total (A)</b>			<b>-</b>		<b>-</b>
<b>(C) Investment in associate (refer note 41(d))</b>					
<b>Equity shares, unquoted (at FVTPL)</b>					
World Resorts Limited	10	13,018,125	155,181.25	13,018,125	155,181.25
Less: fair value loss			(155,181.25)		(155,181.25)
			<b>-</b>		<b>-</b>
<b>Preference shares, Unquoted (at FVTPL)</b>					
World Resorts Limited	10	10,000,000	423,400.00	10,000,000	417,496.61
<b>Total (B)</b>			<b>423,400.00</b>		<b>417,496.61</b>
<b>(D) Investment in joint venture</b>					
<b>Equity shares, unquoted (at cost)</b>					
Future Generali India Life Insurance Company Limited	10	-	-	-	-
Less: Impairment loss allowance (refer note 37)			-		-
			<b>-</b>		<b>-</b>
<b>Preference shares, Unquoted (at FVTPL)</b>					
Capital Infraprojects Private Limited (refer note 41(a))	10	10,849,120	-	10,849,120	-
<b>Total (C)</b>			<b>-</b>		<b>-</b>
<b>(E) Other Investments</b>					
<b>Equity Shares (at FVTPL)</b>					
Reliance Media Works Limited	5	10,000	-	10,000	-
Reliance Broadcast Network Limited	5	10,000	-	10,000	-
SQL Star International Limited *	10	547,677	-	547,677	-
Chennai Super King Cricket Limited #	10	5,695	-	5,695	-
			<b>-</b>		<b>-</b>
<b>Total (D)</b>			<b>-</b>		<b>-</b>
<b>Total (A+B+C+D+E)</b>			<b>3,358,885.09</b>		<b>609,035.46</b>

\* Listed but unquoted as scrip has been suspended due to penal reasons.

# Fair value has not been obtained.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**Note 7 : Investments (Contd.)**
**Impairment loss allowance in the value of Investments till date in shares in respect of the above companies is as follows:-**

(₹ in '000)

Name of the Company	As at March 31, 2023	As at March 31, 2022
<b>(A) Investment in Subsidiaries:</b>		
IITL Projects Limited	77,942.45	75,794.25
IIT Investrust Limited	34,461.86	-
IITL Management and Consultancy Private Limited (Formerly IIT Insurance Broking and Risk Management Pvt Ltd)	12,707.80	11,200.00
<b>Total</b>	<b>125,112.11</b>	<b>86,994.25</b>

**Aggregate value of Investments** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments	2,840,244.75	60,328.85
Aggregate market value of quoted investments	2,840,244.75	60,328.85
Aggregate book value of unquoted investments	518,640.34	548,706.61
Aggregate book value of listed but unquoted investments	-	-
<b>Total</b>	<b>3,358,885.09</b>	<b>609,035.46</b>

**Disclosures** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) At amortised Cost</b>		
RBI- Treasury Bill	2,782,064.11	-
	<b>2,782,064.11</b>	-
<b>(ii) At Cost</b>		
<b>Equity Instruments</b>		
Subsidiaries	278,533.09	278,533.10
	<b>278,533.09</b>	<b>278,533.10</b>
<b>(iii) At Fair Value through Other Comprehensive Income</b>		
<b>(iv) At Fair Value through Profit or Loss</b>		
<b>Preference shares, Unquoted</b>		
World Resorts Limited	423,400.00	417,496.61
	<b>423,400.00</b>	<b>417,496.61</b>
<b>Total (A) - Gross</b>	<b>3,483,997.20</b>	<b>696,029.71</b>
Impairment loss allowance	(125,112.11)	(86,994.25)
<b>Total (B)</b>	<b>(125,112.11)</b>	<b>(86,994.25)</b>
<b>Total (C) = (A) - (B)</b>	<b>3,358,885.09</b>	<b>609,035.46</b>
(i) Investments outside India	-	-
(ii) Investments in India	3,358,885.09	609,035.46
<b>Total</b>	<b>3,358,885.09</b>	<b>609,035.46</b>

**Details of investments subsidiary/ joint venture/ associate (at cost/fair value):**
**IITL Projects Limited**

This company was incorporated on 26.10.1994 under the provisions of the Companies Act, 1956. It was acquired in the year 2008. The company is engaged in real estate business, construction of residential complexes in the National Capital Region. Apart from constructing its own project, the Company is undertaking development of real estate projects through Special purpose vehicles (SPV). The company holds 50% in Capital Infraprojects Private Limited (CIPL), 50% in IITL Nimbus The Hyde Park Noida (INHP), 49.44% in IITL Nimbus The Palm Village (INPV) and 12.08% in IITL Nimbus The Express Park View (INEPV). A total of four SPV are engaged in construction of the residential complexes. IITL hold 71.74% of Shares in it.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**IIT Investtrust Limited**

This company is incorporated on 31.12.1992 under the provisions of the Companies Act, 1956. The company is in the business of Stock broking, depository services and arbitrage. IITL hold 99% of Shares in the Company. The Company has applied for surrender of stock broking license to Securities and Exchange Board of India, and National Stock Exchange and cancellation has been approval on June 23, 2021.

**IITL Management and Consultancy Private Limited**

**(Formerly Known as IIT Insurance Broking and Risk Management Private Limited)**

This company was incorporated on 25.09.2008 under the provisions of the Companies Act, 1956. The company is in the business of insurance broking. It is wholly owned subsidiary of Industrial Investment Trust Limited. The Company applied for surrender of insurance broking licence to Insurance Regulatory Development Authority of India.

IIT Insurance broking and Risk Management Private Limited changed its name to IITL Management and Consultancy Private Limited and also changed its Object Clause. The fresh Certificate of Registration (COR) was received from Ministry of Corporate Affairs. The Company sent a copy of certificate to IRDAI. IRDAI granted certificate of surrender to the Company vide email dated November 15, 2021. The Company ceases to be an Insurance Broking company.

**Future Generali India Life Insurance Company Limited (FGIL)**

FGIL is in the business of Life Insurance Sector and registered with Insurance Regulatory Development Authority of India. The Company had acquired 22.5% equity shares in the year 2014, during the previous year ended March 2022 the Company sold its stake of 16.62 to Future group on March 28, 2022.

**World Resort Limited (WRL)**

WRL was incorporated on 27.04.1995 under the provision of the Companies Act, 1956. The Company had acquired 25% equity shares in the year 2012 . however as on balance sheet date, the Company hold 24.62% equity shares of WRL.WRL is in the business of Hospitality Sector. It is an Associate Company of IITL.

**Note 8 : Other financial assets**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	6,606.16	3,752.91
Other receivables	-	297.23
<b>Total</b>	<b>6,606.16</b>	<b>4,050.14</b>

**Note 9 : Current tax assets (net)**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance payment of income tax (net)	376.57	8,128.96
<b>Total</b>	<b>376.57</b>	<b>8,128.96</b>

**Note 10 : Deferred tax assets / (liability) (net)**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability on account of :		
- Depreciation and amortization due to timing difference	5.88	(65.88)
- Additional contribution to gratuity plan assets	(467.53)	(346.84)
<b>Total Deferred tax liability</b>	<b>(461.65)</b>	<b>(412.72)</b>
Deferred tax assets on account of :		
-Contingent Provision for against Sub-Standard Asset	-	56,666.46
- Disallowance under sec 43B of Income Tax Act, 1961	431.39	411.45
<b>Total Deferred tax assets</b>	<b>431.39</b>	<b>57,077.91</b>
Net Deferred tax assets (A)	(30.26)	56,665.19
MAT Credit entitlement (B)	-	4,386.23
<b>Total (a+b)</b>	<b>(30.26)</b>	<b>61,051.42</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Movement in deferred tax balances

(₹ in '000)

Particulars	As at March 31, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2023
Deferred tax liability on account of :				
- Depreciation and amortization due to timing difference	(65.88)	71.76	-	5.88
- timing difference of lease rent	-	-	-	-
- Additional contribution to gratuity plan assets	(346.84)	-	(120.68)	(467.53)
<b>Total Deferred tax liability</b>	<b>(412.72)</b>	<b>71.76</b>	<b>(120.68)</b>	<b>(461.65)</b>
Deferred tax assets on account of :				
- Contingent Provision for against Standard Asset	-	-	-	-
- Contingent Provision for against Sub-Standard Asset	56,666.46	(56,666.46)	-	(0.00)
- Disallowance under sec 43B of Income Tax Act, 1961	411.45	(9.33)	29.29	431.40
<b>Total Deferred tax assets</b>	<b>57,077.91</b>	<b>(56,675.80)</b>	<b>29.29</b>	<b>431.39</b>
<b>Deferred tax assets /(liability)(net)</b>	<b>56,665.19</b>	<b>(56,604.04)</b>	<b>(91.39)</b>	<b>(30.26)</b>

Note 11 : Property, plant and equipment

(₹ in '000)

Particulars	Buildings	Right-of-use assets (Building)	Furniture and fixtures	Vehicles	Office Equipment	Computers	Total
<b>Gross carrying amount</b>							
As at April 1, 2022	9,100.00	19,384.17	278.44	4,293.30	553.73	1,280.15	34,889.79
Additions	-	1,049.63	70.34	-	285.08	123.09	1,528.14
Deductions and adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>9,100.00</b>	<b>20,433.80</b>	<b>348.78</b>	<b>4,293.30</b>	<b>838.81</b>	<b>1,403.24</b>	<b>36,417.93</b>
<b>Accumulated depreciation and impairment</b>							
As at April 1, 2022	6,900.05	8,764.80	166.07	3,807.01	481.43	1,059.15	21,178.51
Depreciation charged during the year	105.72	8,704.76	47.30	151.87	159.08	234.82	9,403.55
Disposals and adjustments	-	(0.00)	-	0.01	-	41.15	41.16
<b>As at March 31, 2023</b>	<b>7,005.77</b>	<b>17,469.56</b>	<b>213.37</b>	<b>3,958.87</b>	<b>640.51</b>	<b>1,252.82</b>	<b>30,540.90</b>
<b>Net carrying amount As at March 31, 2023</b>	<b>2,094.23</b>	<b>2,964.24</b>	<b>135.41</b>	<b>334.43</b>	<b>198.30</b>	<b>150.42</b>	<b>5,877.03</b>
<b>Gross carrying amount</b>							
As at April 1, 2021	9,100.00	19,226.02	211.98	4,293.30	553.73	869.22	34,254.25
Additions	-	3,363.12	66.46	-	-	410.93	3,840.51
Deductions and adjustments	-	3,204.97	-	-	-	-	3,204.97
<b>As at March 31, 2022</b>	<b>9,100.00</b>	<b>19,384.17</b>	<b>278.44</b>	<b>4,293.30</b>	<b>553.73</b>	<b>1,280.15</b>	<b>34,889.79</b>
<b>Accumulated depreciation and impairment</b>							
As at April 1, 2021	6,789.00	3,408.40	126.81	3,586.18	425.73	703.30	15,039.42
Depreciation charged during the year	111.05	8,561.36	39.26	220.83	55.70	355.85	9,344.05
Disposals	-	3,204.96	-	-	-	-	3,204.96
<b>As at March 31, 2022</b>	<b>6,900.05</b>	<b>8,764.80</b>	<b>166.07</b>	<b>3,807.01</b>	<b>481.43</b>	<b>1,059.15</b>	<b>21,178.51</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>2,199.95</b>	<b>10,619.37</b>	<b>112.37</b>	<b>486.29</b>	<b>72.30</b>	<b>221.00</b>	<b>13,711.28</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 12 : Other non-financial assets** (₹ in '000)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Prepaid/advance for expenses	2,440.94	1,373.60
Gratuity fund balance	1,680.54	1,334.01
Deposit placed against disputed property tax	38,190.79	36,453.38
Balance with government authorities	8,830.37	6,859.11
<b>Total</b>	<b>51,142.64</b>	<b>46,020.10</b>

**Note 13 : Payable** (₹ in '000)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
(i) Trade payables		
total outstanding dues of micro enterprises and small enterprises		
total outstanding dues of other than micro enterprises and small enterprises	388.48	303.74
	1,724.51	26,031.14
<b>Total</b>	<b>2,112.99</b>	<b>26,334.88</b>

**Disclosures requirement under section 22 of the Micro, Small & Medium Enterprises Development Act, 2006** (₹ in '000)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year	388.48	303.74
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

An ageing schedule in respect of trade payables shall be provided for the period covering less than one year, 1-2 years, 2-3 years, and more than 3 years in the following format:

**As at 31.03.2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Years	1-2 Years	2-3 years	More than 3 years	
(i) MSME	388.48	-	-	-	388.48
(ii) Others	1,724.51	-	-	-	1,724.51
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>2,112.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,112.99</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

As at 31.03.2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Years	1-2 Years	2-3 years	More than 3 years	
(i) MSME	303.74	-	-	-	303.74
(ii) Others	26,031.14	-	-	-	26,031.14
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>26,334.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,334.88</b>

**Note 14 : Other financial liabilities** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease rental liabilities	3,164.98	11,286.83
Unclaimed dividends *	-	392.81
Salary payable	24.75	683.89
<b>Total</b>	<b>3,189.73</b>	<b>12,363.53</b>

\* Investor Education and Protection Fund is being credited as and when due.

**Note 15 : Provisions** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Compensated absences	1,550.65	1,582.48
Provision - Others:		
- Provision for contingency	5,000.00	5,000.00
<b>Total</b>	<b>6,550.65</b>	<b>6,582.48</b>

**Movement in provisions of compensated absences**

Balance at the beginning of the period	1,582.48	2,045.89
Movement in provisions against compensated absences during the year	(31.83)	(463.41)
Provision at the end of the year	1,550.65	1,582.48

**Note 16 : Other non-financial liabilities** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Income received in advance *	36,106.59	36,106.59
Other payables:		
- Statutory remittances (Contributions to PF, TDS, GST etc.)	847.61	3,099.84
- Others	-	11,541.59
<b>Total</b>	<b>36,954.20</b>	<b>50,748.02</b>

\* Revenue recognised during the year from the opening advance for current year ₹ Nil (Previous year ₹ Nil)

**Note 17 : Equity Share Capital** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Authorized Share Capital		
30,000,000 Equity shares of ₹ 10/- each	300,000.00	300,000.00
5,000,000 Preference shares of ₹ 10/- each	50,000.00	50,000.00
(ii) Issued, Subscribed & Fully Paid Up Share Capital		
22,547,550 Equity shares of ₹ 10/- each*	225,475.50	225,475.50

\* Included 6,277,550 (previous year 6,277,550) equity shares represented by 3,138,775 (previous year 3,138,775) Global Depository Shares (GDR)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 17 : Equity Share Capital (Contd.)

Disclosures:

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount (₹ in '000)	No. of Shares	Amount (₹ in '000)
Opening Balance	22,547,550	225,475.50	22,547,550	225,475.50
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
<b>Closing Balance</b>	<b>22,547,550</b>	<b>225,475.50</b>	<b>22,547,550</b>	<b>225,475.50</b>

The Company had issued 4,888,775 Global Depository Shares ('GDSs') representing 9,777,550 equity shares of the Company of nominal value ₹ 10 each, aggregating to US\$ 59.89 millions equivalent to ₹ 3,377,606,725 (including shares premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange. 1,750,000 GDRs had converted into 35,00,000 equity shares, during the year ended March 31, 2020 20,00,000 equity share and during the year ended March 31, 2021 15,00,000 equity share respectively, remaining 3,138,775 GDRs are yet to be converted into equity shares. Amount of Investment represents to total GDRs including converted.

b) Rights, preferences and restrictions attached to equity shares

Equity shares of the Company are issued at a par value of ₹ 10 per share.

(i) **Equity Shares represented by GDS** - Holders of the GDSs will have no voting rights with respect to the underlying equity shares. The Depository will not exercise any voting rights with respect to the deposited shares. Other rights, preferences and restrictions are same as other equity shares.

(ii) **Other Equity Shares** - Each holder of other equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

c) Equity Shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	7,087,960	31.44	7,087,960	31.44
Nimbus India Limited	2,294,107	10.17	2,294,107	10.17
Systematix Shares And Stocks (India) Limited	2,112,711	9.37	2,112,711	9.37
Life Insurance Corporation of India	557,054	2.47	1,142,455	5.07
The Bank of New York Mellon (Depository for GDS holders) *	6,277,550	27.84	6,277,550	27.84

\* The Company does not have details of individual holders.

d) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

e) Shareholding of Promoters:

Name of Promoters	As at March 31, 2023		% Change during the Year	As at March 31, 2022		% Change during the Year
	No. of Shares held	% of Holding		No. of Shares held	% of Holding	
N. N. Financial Services Private Limited	7,087,960	31.44	-	7,087,960	31.44	-
Nimbus India Limited	2,294,107	10.17	-	2,294,107	10.17	-
Bipin Agarwal	25,000	0.11	-	25,000	0.11	-
Swarn Mohinder Singh	25,000	0.11	-	25,000	0.11	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Disclosures required as per Division III of Schedule III

#### Objectives, policies and processes for managing capital.

For the purpose of the Company's capital management, capital includes paid-up equity securities capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares.

#### Note 18 : Other equity

(₹ in '000)

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Other comprehensive income	Retained earnings	Total
<b>Balance as at April 1, 2022 (A)</b>	0.75	4,186,487.47	185,542.59	322,407.00	2,701.66	(1,798,364.91)	2,898,774.56
Change in accounting policy or prior errors							-
Restated balance at the beginning of the current reporting period	-	-	-	-		-	-
<b>Addition during the year</b>	-	-	-	-		-	-
Profit/(Loss) for the year	-	-	-	-		429,937.61	429,937.61
Item of OCI for the year (net of taxes)	-	-	-	-	260.13		260.13
Remeasurement of the net defined benefit plan							
<b>Total Comprehensive Income for the year 2022-23 (B)</b>	-	-	-	-	260.13	429,937.61	430,197.74
<b>Reduction during the year</b>							
Transfer to special reserve				85,986.34		(85,986.34)	-
<b>Total (C)</b>	-	-	-	85,986.34	-	(85,986.34)	-
<b>Balance as at March 31, 2023 (A+B-C)</b>	0.75	4,186,487.47	185,542.59	408,393.34	2,961.79	(1,454,413.64)	3,328,972.30
<b>Balance as at April 1, 2021 (A)</b>	0.75	4,186,487.47	185,542.59	322,407.00	1,533.16	(802,333.79)	3,893,637.18
Change in accounting policy or prior errors							-
Restated balance at the beginning of the current reporting period	-	-	-	-		-	-
<b>Addition during the year</b>	-	-	-	-			-
Profit/(Loss) for the year	-	-	-	-		(996,031.12)	(996,031.12)
Item of OCI for the year (net of taxes)	-	-	-	-		-	-
Remeasurement of the net defined benefit plan					1,168.50		1,168.50
<b>Total Comprehensive Income for the year 2021-22 (B)</b>	-	-	-	-	1,168.50	(996,031.12)	(994,862.62)
<b>Reduction during the year</b>							
Transfer to special reserve						-	-
<b>Total (C)</b>	-	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-			-
<b>Balance as at March 31, 2022 (A+B-C)</b>	0.75	4,186,487.47	185,542.59	322,407.00	2,701.66	(1,798,364.91)	2,898,774.56

#### Nature and purpose of each reserve

##### Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

##### General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 18 : Other equity (Contd.)**

**Special Reserve (as per the RBI regulations)**

This Reserve is created as per Sec 45IC of Reserve bank of India Act 1934. This Reserve is utilised only as per manner mentioned in RBI Act 1934.

**Retained earnings**

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, Special Reserve etc. opening Impact of Ind AS is adjusted in Retained Earnings.

**Note 19 : Interest income**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	9,165.54	17,967.25
Interest income from investments	45,912.70	-
Interest on deposits with banks	89,441.83	12,109.73
Other interest income		
Interest on deposits placed	1,737.42	1,747.35
Interest on security deposits	605.70	519.40
(c) On financial assets classified at fair value through profit or loss	-	-
<b>Total</b>	<b>146,863.19</b>	<b>32,343.73</b>

**Note 20 : Net gain on fair value changes**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Net gain on financial instruments at fair value through profit or loss	5,903.39	35,434.52
<b>Total</b>	<b>5,903.39</b>	<b>35,434.52</b>

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Fair value changes:		
- Realised	-	-
- Unrealised	5,903.39	35,434.52
<b>Total Net gain/(loss) on fair value changes</b>	<b>5,903.39</b>	<b>35,434.52</b>

**Note 21 : Other income**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental Income	3,148.00	3,148.00
Interest income from Income tax refund	614.45	1,364.64
Credit balance written back	2,364.72	-
Miscellaneous income	326.64	274.50
<b>Total</b>	<b>6,453.81</b>	<b>4,787.14</b>

**Note 22 : Finance costs**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest cost on Leased liabilities	1,667.92	2,546.67
Interest on Late payment	138.57	-
<b>Total</b>	<b>1,806.49</b>	<b>2,546.67</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 23 : Impairment on financial instruments** (₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial instruments measured at fair value through OCI	-	-
On financial instruments measured at amortised cost		
Loans	(440,546.42)	(18,540.00)
Investments	38,117.87	984.74
<b>Total</b>	<b>(402,428.55)</b>	<b>(17,555.26)</b>

**Note 24 : Employee Benefit Expenses** (₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and bonus	13,184.40	12,012.92
Contribution to provident and other funds	1,056.55	1,045.39
Staff welfare expenses	276.63	185.47
<b>Total</b>	<b>14,517.58</b>	<b>13,243.78</b>

**Note 25 : Depreciation, amortisation and impairment** (₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<u>Depreciation &amp; amortisation</u>		
on property, plant and equipment	698.79	782.69
on Right-of-use assets	8,704.76	8,561.36
<b>Total</b>	<b>9,403.55</b>	<b>9,344.05</b>

**Note 26 : Other expenses** (₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent, taxes and energy costs	1,699.49	1,583.20
Repair and Maintenance	2,077.51	1,326.76
Communication costs	310.97	320.51
Printing & Stationery	341.54	261.88
Advertisement and publicity	398.19	98.06
Director's fee, allowances and expenses	2,943.00	2,517.90
Auditor's fees and expenses	2,300.00	2,650.00
Legal and professional charges	7,976.27	8,892.12
Insurance	523.31	429.37
Other expenditure		
Travelling and conveyance	2,206.00	1,536.58
Membership fees	1,531.34	1,355.75
Miscellaneous expenses	2,225.88	560.42
<b>Total</b>	<b>24,533.50</b>	<b>21,532.55</b>

**Details of Auditor's fees and expenses**

- as Auditor	700.00	1,300.00
- for limited review fees	975.00	1,125.00
- for other services	600.00	200.00
- for reimbursement of expenses	25.00	25.00
<b>Total</b>	<b>2,300.00</b>	<b>2,650.00</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note 27 : Exceptional items

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Exceptional items:</b>		
Provisional reversal of FGIL	-	(133,000.00)
Profit/(Loss) for sale of Investments	-	1,172,500.00
<b>Total</b>	<b>-</b>	<b>1,039,500.00</b>

Note 28 : Tax expenses

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current tax</b>		
-Current tax	24,988.31	-
-Earlier year	(142.14)	-
	<b>24,846.17</b>	<b>-</b>
<b>Deferred tax</b>		
- through profit and loss statement	56,604.04	(15.28)
- through other comprehensive income	91.39	410.55
	<b>56,695.43</b>	<b>395.27</b>
<b>Total</b>	<b>81,541.60</b>	<b>395.27</b>

A new Section 115BAA was inserted in the Income Tax Act, 1961, by the Government of India which provides an option to companies for paying income tax at reduced rates in accordance with the provision/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended March 31, 2023.

The reconciliation of estimated income tax to income tax expense is as follow:

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(loss) before income tax	511,387.82	(996,046.40)
Enacted tax rates in India (%)	27.82%	26.00%
Computed expected tax expenses	142,268.09	(258,972.06)
<u>Adjustments:</u>		
for exempted income	-	(16,042.79)
for disallowed under Income Tax Act	13,744.89	271,874.95
for allowable under Income Tax Act	(127,404.47)	(147.32)
Others	-	(694,613.64)
taxation loss/unabused depreciation for current / earlier year	(3,620.21)	3,287.22
Net current tax	24,988.31	(694,613.64)
Earlier years	(142.14)	-
<b>Income Tax expenses</b>	<b>24,846.17</b>	<b>(694,613.64)</b>
<b>Tax losses</b>		
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	-	21,588.04
Capital loss or which no deferred tax asset has been created	-	2,714,388.77
Potential tax benefit @26% on carried forward business losses	-	5,612.89
Potential tax benefit @20% on carried forward capital losses	-	<b>542,877.75</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 29 : Contingent liabilities and commitments**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
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**(I) Contingent liabilities**

**(a) Claims against the Company not acknowledge as debt**

- Disputed property tax levied by Mumbai Municipal Corporation (MMC) based on enhanced ratable value for the period 1 <sup>st</sup> April 2007 to 31 <sup>st</sup> March 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point net of provision*	23,057.99	23,057.99
--	-----------	-----------

\* details of contingent liabilities as under

The amount of ₹ 23,057,661 disclosed as Contingent Liability is towards the disputed property tax levied by MMC based on enhanced ratable value for the period 1<sup>st</sup> April 2007 to 31<sup>st</sup> March 2010 in respect of the Company's Investment Properties at Atlanta Society, Nariman Point, Mumbai.

During the financial year 2015-16, 2017-18 and 2019-20, the Company sold eight units of the said property. Upon sale of said units the Company was required to deposit ₹ 28,057,991 with Atlanta Premises Co-operative Society Limited (the society) towards the disputed property tax related to units sold. The said amount has been placed by the society in Fixed Deposits with Bank.

The disputed property tax issue is still subjudice and the order is awaited from the Mumbai High court. Pending the outcome of the matter, out of abundant caution, the Company has made a provision of ₹ 5,000,000 in respect of the units sold.

However, the total amount of ₹ 28,057,991 is fully recoverable from the ex-Licensee as per the Leave and License Agreements entered by the Company with them from time to time. The ex-Licensee has filed for voluntary winding up and appointed the liquidator. The Company has filed the said claim with the liquidator.

Due to COVID-19, the appeal did not come up for hearing in the High Court for a period of two years. Once the lock downs were lifted, the matter came up for hearing in the High Court. However, the Liquidator suggested that instead of pursuing the matter by way of appeal it would be prudent to enter into Consent Terms for recovery of the said amount. The Consent Terms was filed in the High Court of Judicature at Bombay and the Order was passed in the said matter on August 29, 2022.

Pursuant to the said Order, the Liquidator deposited the amount of ₹ 2,80,57,991/- vide 3 Pay Orders of ₹ 99,00,000/-, ₹ 99,00,000/- and ₹ 82,57,991/- with Prothonotary and Senior Master, High Court, Bombay.

The final outcome will be decided once the Bombay High court passes the final order.

**(b) Guarantees**

Guarantees given to banks on behalf of associate company	-	-
The Company has received counter-guarantees from other parties against the aforesaid guarantees given by the Company to the banks.	-	-
The outstanding amount of loan availed by the associate company	-	-

**(ii) Commitments**

Non-cancellable contractual commitments - refer note 33

**Note 30 : Earnings per share**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Basic and Diluted earning per share		
Profit/(loss) attributable to the equity holders of the Company (₹ in '000)	429,937.61	(996,031.12)
Total basic and diluted earnings per share attributable to the equity holders of the Company (₹)	19.07	(44.17)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator (nos.)	22,547,550	22,547,550



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 31 Disclosure of fair value changes in preference shares :

During the current quarter the company has rectified the presentation and disclosure relating to the notional interest and impairment in fair value of investments in preference shares in Associates, in accordance with Ind AS 8, read with Ind AS 27. However this does not have any impact on the profits / losses determined in the previous periods, networth and the carrying amount of the investments.

### Note 32 : Disclosure as per Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in '000)

Particulars	Outstanding balance		Maximum balance outstanding	
	As at March 31, 2023	As at March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
<b>Loans and advances (excluding interest accrued and due) in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested:</b>				
<u>Associate Company:</u>				
World Resorts Limited	-	-	-	18,500.00
<u>Entities over which the company can exercise significant influence:</u>				
IITL Nimbus The Express Park View	-	247,751.46	247,751.46	247,751.46
IITL Nimbus The Palm Village	-	30,000.00	30,000.00	30,000.00
IITL Nimbus The Hyde Park Noida	-	162,794.96	162,794.96	162,794.96
	<b>No. of Shares</b>		<b>Amount (₹ in '000)</b>	
Investments by loanee in the shares of parent company and subsidiary company when the company has made a loan or advance in the nature of loan.	-	-	-	-

### Note 33 : Disclosure in accordance with Ind AS 116

#### (A) Transition to Ind AS 116

- (a) Effective 1 April 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on 1 April 2019, using the modified retrospective method. Accordingly, the comparatives as at and for the year ended 31 March 2019 have not been restated. On the date of initial application, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and a corresponding right-of-use asset adjusted for the amount of prepaid or accrued payments on the lease.
- (b) The Company has applied the following practical expedients on initial application of Ind AS 116:
  - (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
  - (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
  - (iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.
  - (iv) Elected to use the practical expedient not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
  - (v) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- (c) On transition to Ind AS 116, the Company has recognised lease liabilities and equivalent amount of right-of-use assets amounting to ₹ 8,513.00.
- (d) On transition to Ind AS 116, the weighted average incremental discounting rate applied to lease liabilities recognised under Ind AS 116 is 15% .

The company's lease asset classes primarily consist of leases for buildings taken on lease for operating its head office and providing accommodation to KMPs. The company assesses whether a contract contains a lease, at inception of a contract. At the

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

(e) The lease liabilities can be reconciled to the operating lease commitments, as follows:

(₹ in '000)

Particulars	As at April 1, 2022	Addition during the year	As at March 31, 2023
Operating lease commitments (future minimum lease payments in respect of non-cancellable leases)	41,863.00	1,321.25	43,184.25
Less: Effect of discounting on above	6,658.58	181.63	6,840.21
Discounted recognised lease liabilities	31,102.02	1,049.63	32,151.65
Discounted recognised lease liabilities (Pertaining to cancellable leases commitments)	-	-	-
Total lease liabilities recognised	31,102.02	1,049.63	32,151.65

**(B) Company as Lessee**

The Company has taken an office premise and residential premises on operating lease. The followings are details of lease as a lessee;

Particulars of lease assets (building)	Lease period
1101/1101A, Lokhandwala Galaxy CHS, N.M. Joshi Marg, Byculla (W), Mumbai - 400 011	21.02.2022 to 20.11.2024
Office No.101A, 'The Capital', G Block, Plot No.C-70, BKC, Bandra East, Mumbai - 400051	01.02.2021 to 30.03.2023
FlatNo.1607,'JonquilleBuilding',Chandvali Farm Road, Chandivali Mumbai - 400072	15.02.2023 to 14.02.2025

Right-of-use assets (building)	Amount (₹'000)
As at 01.04.2022	10,619.37
Addition during the year	1,049.63
Deletion during the year	-
Depreciation	(8,704.76)
gains or losses arising from sale and leaseback transactions;	-
Expenses incurred	-
<b>As at 31.03.2023</b>	<b>2,964.24</b>

Lease liability	Amount (₹'000)
As at 01.04.2022	11,286.83
Addition during the year	1,049.63
Deletion during the year	-
Interest cost	1,110.13
gains or losses arising from sale and leaseback transactions;	-
Payment of lease liabilities;	(10,281.60)
<b>As at 31.03.2023</b>	<b>3,164.99</b>

Other information	Amount (₹'000)
the expense relating to variable lease payments not included in the measurement of lease liabilities;	
income from subleasing right-of-use assets;	3,148.00

**Note 34 : The details of Corporate Social Responsibility (CSR) expenditure are as below:**

The CSR obligation for the year as computed by the Company and relied upon by the auditors is ₹ NIL (previous year ₹ Nil)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**Note 35 : Employee Benefit**
**A) Defined Contribution Plan**

(₹ in '000)

Particular	Year ended March 31, 2023	Year ended March 31, 2022
Recognised Provident Fund contributions which are defined contribution plans, for qualifying employees in the statement of profit and loss	723.33	762.96

**B) Defined Benefit Plan**

The Company offers its employees defined-benefit plan in the form of a Gratuity Scheme. Benefits under the defined benefits plan are typically based on years of service and the employees compensation covering all regular employees. Commitments are actuarially determined at year-end. The benefits vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

**These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.**

**Investment Risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Market Risk (discount Risk)**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Longevity Risk**

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

**Actuarial risk**

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

**i) Amount recognized in the Statement of Profit and Loss under employee benefit expenses (Gratuity)**

(₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	337.04	252.65
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net Interest cost	(33.41)	2.38
Total included in Employee Benefit Expenses	303.63	255.04

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 35 : Employee Benefit (contd.)**

**ii) Amount recognized in the Statement of Other Comprehensive Income (Gratuity)**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	(105.11)	(320.50)
Due to changes in demographic assumption	-	-
Due to experience adjustment	(181.55)	(1,073.22)
Return on plan assets excluding amounts included in interest income	(64.86)	(185.33)
Total included in Employee Benefit Expenses	(351.52)	(1,579.05)

**iii) The following tables set out the funded status of the gratuity plans and the amounts recognized in the financial statements (Gratuity)**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>a) Change in benefit obligations</b>		
Opening Defined Benefit Obligation	3,785.64	4,772.55
Transfer in/(out) obligation	-	-
Current service cost	337.04	252.65
Interest cost	275.91	154.16
Net Actuarial loss/(gain)	(286.66)	(1,393.72)
Benefits paid	(150.21)	-
Closing defined benefit obligation	3,961.72	3,785.64
<b>b) Change in plan assets</b>		
Opening value of plan assets	5,119.65	4,600.38
Transfer in/(out) plan assets	309.32	151.78
Interest Income	64.86	185.33
Net Actuarial loss/(gain)	298.64	182.16
Contributions by employer	(150.21)	-
Benefit Paid	5,642.26	5,119.65
Closing Value of plan assets		
<b>c) Funded Status of the Plan</b>		
Present value of unfunded obligations	-	-
Present value of funded obligations	(3,961.72)	(3,785.64)
Fair value of plan assets	5,642.26	5,119.65
Net Assets/(Liability)	1,680.53	1,334.01

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**iv) Reconciliation of net defined benefit assets (Gratuity):** (₹ in '000)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Net opening assets in books of accounts	(1,334.01)	172.16
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense	303.63	255.04
Amounts recognized in Other Comprehensive Income	(351.52)	(1,579.05)
	(1,381.90)	(1,151.85)
Contributions to plan assets	(298.64)	(182.16)
<b>Closing provision in books of accounts</b>	<b>(1,680.54)</b>	<b>(1,334.01)</b>

**v) Break-up of defined benefit obligation (Gratuity):** (₹ in '000)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Vested	3,929.39	3,726.84
Non vested	32.34	58.80
Total	3,961.72	3,785.64

**vi) Principle actuarial assumptions used to determine benefit obligations are set out below:**

**a) Gratuity**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Discount Rate	7.30%	6.70%
Salary Growth Rate	7.00%	7.00%
<u>Withdrawal Rates</u>		
At younger ages	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%

**vii) Expected cash flows based on past service liability**

**a) Gratuity**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Cash flows	Distribution	Cash flows	Distribution
	(₹ in '000)	(%)	(₹ in '000)	(%)
Year 1	1,384.04	21.80%	1,309.01	21.20%
Year 2	1,788.29	28.10%	128.10	2.10%
Year 3	61.90	1.00%	1,653.94	26.80%
Year 4	58.56	0.90%	63.98	1.00%
Year 5	56.28	0.90%	60.77	1.00%
Year 6 to Year 10	310.13	4.90%	296.27	4.80%

The Future accrual is not considered in arriving at the above cash-flows.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**viii) Composition of the plan assets (Gratuity):**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	96%	96%
Bank Balance	4%	4%
Other Investments	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Note: The Company is unable to obtain the details of major category of plan assets from the insurance company (Life Insurance Corporation of India) and hence the disclosure thereof is not made.

**ix) Sensitivity to key assumptions**

**a) Gratuity**

Particulars	As at March 31, 2023		As at March 31, 2022	
	DBO (₹ in '000)	Changes in DBO %	DBO (₹ in '000)	Changes in DBO %
<u>Discount rate varied by 0.5%</u>				
Increase by 0.5%	3,881.25	-2.03%	3,694.92	-2.40%
Decrease by 0.5%	4,048.63	2.19%	3,883.82	2.59%
<u>Salary growth rate varied by 0.5%</u>				
Increase by 0.5%	4,026.75	1.64%	3,856.51	1.87%
Decrease by 0.5%	3,898.06	-1.61%	3,715.14	-1.86%
<u>Withdrawal rate (WR) varied by 10%</u>				
WR* 110%	3,969.25	0.19%	3,790.64	0.13%
WR* 90%	3,953.57	-0.21%	3,780.04	-0.15%

**A description of methods used for sensitivity analysis and its Limitations:**

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters.

Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 36 : Related party disclosures**

**(i) Names of related parties:**

(a) Names of related parties and nature of related party relationship where control exists are as under:

Subsidiary companies:	IIT Investrust Limited IITL Projects Limited IITL Management and Consultancy Private Limited (Formerly Known as IIT Insurance Broking and Risk Management Private Limited)
Joint venture:	Future Generali India Life Insurance Company Limited (Upto March 28, 2022)

(b) Names of other related parties and nature of relationship:

Key management personnel:	Dr. B. Samal, Executive Chairman Cumi Banerjee, CEO (Secretarial, Legal and Admin) & Company Secretary Rajev Adlakha, CEO- NBFC Operations (w.e.f. February 10, 2023) Kamlesh Agrawal, CFO (Resigned on February 16, 2023) Ajit Mishra, COO (from November 21, 2022 till February 16, 2023) Ajit Mishra, CFO (w.e.f. February 17, 2023)
Associate company:	World Resorts Limited
Entities over which the Company can exercise significant influence:	IITL Nimbus The Express Park View - a partnership firm IITL Nimbus The Palm Village - a partnership firm IITL Nimbus The Hyde Park Noida -a partnership firm Capital Infraprojects Private Limited Golden Palms Facility Management Private Limited

**(ii) Transactions with related parties:**

(a) Key management personnel: (₹ in '000)

Name of Key management personnel	Nature	Year ended March 31, 2023	Year ended March 31, 2022
Dr. B. Samal*	Remuneration	3,516.00	4,524.00
Cumi Banerjee	Remuneration	3,864.00	3,930.57
Kamlesh Kumar Agrawal**	Remuneration	1,999.18	2,100.00
Ajit Mishra	Remuneration	848.25	-
Rajev Adlakha**	Remuneration	891.50	-

\* Above remuneration excludes provision for gratuity and compensated absences, which is determined on the basis of actuarial valuation done on overall basis for the Company

\*\* PF contribution not considered

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

(b) Other related parties:

(₹ in '000)

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<u>Loan received back:</u>		
IITL Nimbus The Palm Village	30,000.00	
IITL-Nimbus The Hyde Park	162,794.96	
IITL Nimbus The Express Park View	247,751.46	
Capital Infraprojects Private Limited		10,000.00
World Resorts Limited		18,500.00
<u>Interest income :</u>		
IITL Nimbus the Express Park View	6,685.22	-
IITL Nimbus the Palm Village	1,720.70	-
Capital Infraprojects Private Limited	-	519.25
IITL Nimbus The Hyde Park	-	14,367.88
World Resorts Limited	68.03	3,080.12
IITL Management and Consultancy Private Limited	691.60	-
<u>Rent Expenses:</u>		
IIT Investrust Limited	-	(2.69)
<u>Interest cost on Leased liabilities</u>		
IIT Investrust Limited	416.03	210.81
<u>Depreciation on leased assets</u>		
IIT Investrust Limited	1,222.96	1,167.03

(iii) Details of amount outstanding as on balance sheet date

(₹ in '000)

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<u>Loans outstanding</u>		
IITL Nimbus The Express Park View (Refer note 39)	-	247,751.46
IITL Nimbus The Hyde Park	-	162,794.96
IITL Nimbus The Palm Village	-	30,000.00

**Note 37 :**

The Company has made an investment of ₹ 34,000.00 lakhs in Future Generali India Life Insurance Company Ltd. (FGILICL), a jointly controlled entity of the Company, acquiring 22.5% of its equity capital in the financial year 2012-2013. Between August 2016 to December 2021 FGILICL made various Rights Issues. The Company did not subscribe in any of the Rights Issues. With the increase in paid up capital on account of the Rights issue, the Company's equity stake in FGILICL has reduced to 16.62 %. The Company has valued its equity shares at cost as per Ind AS. On December 06, 2021 the Board of Directors of the Company have accepted the offer made by Generali Participations Netherlands N.V. one of the Joint Venture Partner of FGILICL, for acquiring the company's equity stake of 32,67,00,000 equity shares of ₹ 10 each representing 16.62% of the equity share capital of FGILICL, the transaction was subject to approvals, consents, permissions, etc (including any conditions stipulated in relation thereto) by Insurance Regulatory and Development Authority of India, Reserve Bank of India, the Registrar of Companies, Competition Commission of India and all other authorities, as may be applicable and subject to execution of transaction documents and recognised impairment amounting to ₹ 10,170 lakhs during the quarter ended December 31, 2021. Further during the quarter ended March 31, 2022, after obtaining the necessary approval, the Company has sold the equity investment of FGILICL at ₹ 22,500 lakhs on 29<sup>th</sup> March 2022. Company has recognised additional loss of ₹ 225.00 lakhs for the year ended 31<sup>st</sup> March 2022 after considering the earlier impairment. So total loss of ₹10,395.00 has been considered as exceptional item for the year 2021-22.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 38 : One time settlement against loan

In its meeting held on 8th March, 2017, the Board of directors approved the proposal of One-Time Settlement (“OTS”) with IITL Projects Limited (IPL), the subsidiary company, in relation to unsecured outstanding loan given along with the outstanding interest thereon, as under :-

- (i) Loan of ₹ 364,800,000/- along with outstanding interest as on 31<sup>st</sup> March, 2016 amounting to ₹ 36,106,588/- (Net of TDS) aggregating ₹ 400,906,588/- would be adjusted against the transfer of assets of IPL namely 5,000,000 Zero % Non-Convertible Redeemable Preference Shares of World Resorts Limited and 10,849,120 Zero% Non-Convertible Redeemable Preference Shares of Capital Infraprojects Private Limited based on its value determined by independent valuers amounting to ₹ 283,314,407/- and ₹ 117,592,181/- respectively (in favour of the Company).
- (ii) The Company to waive off Interest accrued for the period April, 2016 to March, 2017 amounting to ₹ 54,720,000/-.
- (iii) IPL to agree to recompense the Company in one or more installments, as may be mutually agreed between the parties at the relevant time the interest amount of ₹ 54,720,000/- which has been waived off as part of One Time Settlement in case IPL turns profitable in future and has adequate cash flows.

The above proposal was approved by the members of IPL and those of the Company on 18<sup>th</sup> April, 2017 and 21<sup>st</sup> April, 2017 respectively. Subsequently the company entered into OTS agreement on 18<sup>th</sup> May, 2017 with IPL to transfer the said shares in name of the Company.

### Note 39 : One Time settlement of loan/ Repayment of loan

A) IITL-Nimbus The Hyde park Noida, Joint venture vide their letter dt. 18.06.2022 to Industrial Investment Trust Limited (IITL), proposed to settle the unsecured loan of ₹ 1,627.95 lakhs in following manner.

- i) The Firm will repay the outstanding loan on or before December 31, 2022.
- ii) To waive the total outstanding interest amount of ₹ 263.71 lakhs as on June 30, 2022 and all future interest amount thereafter up to December 31, 2022.
- iii) The Firm reiterates their commitment to remit the outstanding loan amount.
- iv) In the unlikely scenario of the amount not being remitted by December 31, 2022, the Firm will without any further request or extension, transfer the flats of equivalent of outstanding loan amount, with completion certificates obtained and facilitate registration of the same. In such eventuality, no maintenance charges will be levied on the flats until the time they are sold or for a period of 12 months ending December 31,2023 whichever is earlier.

IITL in its Annual General Meeting held on September 24, 2022, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 1,627.94 lakhs granted by the Company to IITL Nimbus The Hyde Park and waive interest outstanding thereon amounting to ₹ 263.71 lakhs as on June 30, 2022 and all future interest amount thereafter up to December 31, 2022. The Firm has repaid the outstanding loan of ₹ 1,627.94 lakhs on 21.10.2022. Consequently impairment provision of ₹ 1,627.95 lakhs is reversed.

B) IITL Nimbus The Express Park View, Joint Venture vide their letter dated 18.06.2022 to Industrial Investment Trust Limited (IITL), proposed to settle the unsecured loan of ₹ 2,477.51 lakhs in following manner:

- i) The Firm will repay the outstanding loan on or before December 31, 2022.
- ii) In the unlikely scenario of the amount not being remitted by December 31,2022, the Firm will transfer the flats of equivalent value outstanding loan amount.
- iii) Waiver of interest ₹ 943.57 lakhs for the period October 01, 2017 to September 30, 2021.
- iv) No interest shall be charged for the period starting immediately after the expiry of Restructuring agreement i.e w.e.f. October 01, 2021 to up to December 31, 2022.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

IITL in its Annual General Meeting held on September 24, 2022, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 2,477.51 lakhs granted by the Company to IITL Nimbus The Express Park View and waive interest outstanding there. The Firm has repaid the outstanding loan of ₹ 2,477.51 lakhs on 29.11.2022 and 30.12.2022 respectively. Consequently impairment provision of ₹ 2,477.51 lakhs is reversed.

C) IITL-Nimbus The Palm Village, Joint venture vide their letter dated 01.07.2022 to Industrial Investment Trust Limited (IITL), proposed for an One Time Settlement (OTS) for ₹ 300.00 lakhs in following manner:

- i) 25% of the outstanding loan amount to be paid upfront by IITL Nimbus the Palm Village
- ii) Pursuant to the approval of the shareholders, the Company will enter in to One Time Settlement with IITL Nimbus the Palm Village on the following terms:
  - a) The firm will repay the balance outstanding loan amount on or before March 31, 2023.
  - b) The entire amount of accrued interest outstanding up to September 30, 2022 amounting to ₹ 242.14 lakhs to be waived off.
  - c) The amount of interest payable from 01.10.2022 to 31.03.2023 also waived off.
  - d) The firm has reiterated their commitment to remit the outstanding principal amount.

The shareholders of IITL through Postal ballot on January 10, 2023, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 300.00 lakhs granted by the Company and waive Interest outstanding thereon and all future interest amounts thereafter up to March 2023. The firm has repaid ₹ 300.00 lakhs. Consequently impairment provision of ₹ 300.00 lakhs is reversed.

### Note 40 : Segment Reporting

#### Disclosure as required by Ind AS 108 “Operating Segment”, of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company’s performance in accordance with Ind AS “Operating Segment”, the Company has only one reportable operating segment i.e. Investment Activity. The additional disclosure is being made in the consolidated financial statements.

Revenue from two Customer contributed 10% or more to the Company’s revenue for 2021-22.

#### Entity level segment

Following are net income recognised in the profit & loss statements from the entities

(₹ in ‘000)

Entity name	Year ended March 31, 2023	Year ended March 31, 2022
World Resorts Limited	68.03	3,080.12
IIT Insurance Broking and Risk Management Private Limited	691.60	-
IITL Nimbus the Express Park View	6,685.22	-
IITL Nimbus the Palm Village	1,720.70	-
Capital Infraprojects Private Limited	-	519.25
IITL Nimbus The Hyde Park	-	14,367.88

### Note 41 : Note on Subsidiaries and associate

#### a) IITL Projects Limited

As at March 31, 2023, the Company has carrying amount of investment in its subsidiary IITL Projects Limited amounting to ₹ 581.80 lakhs in the equity shares.

The financial results of the subsidiary have been prepared on a going concern basis, although the subsidiary is incurring continuous losses. The net worth of the subsidiary is negative as on March 31, 2023.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

In view of the adverse cash flows of the joint ventures namely IITL - Nimbus The Express Park View IITL - Nimbus. The Palm Village, IITL Nimbus. The Hyde Park and Capital Infra Project Limited, their ability to continue on a going concern is doubtful. Further as at 31<sup>st</sup> March, 2023, the accumulated losses of ₹ 6,079.83 lakhs exceeds the paid up equity capital and the net worth of the company stands fully eroded. The current liabilities of the company exceeding its total assets indicates that material uncertainty exists that may cause significant doubt on the company's ability to continue as a going concern.

The Management is seized of the matter that the networth of the Company is completely eroded. In the light of the above, the Company is exploring options to infuse funds or exiting loss making JVs to reduce any further losses. One of the JVs, IITL Nimbus Palm Village has commenced its Projects and the Management is closely monitoring the development of the same and its impact on the cash flows. Another JV, IITL Nimbus The Express Park View projects is under progress and its cash flow will depend upon the market condition. Accordingly the financial statements have been prepared on going concern basis. Considering the above the company is carrying impairment provision of ₹ 779.42 lakhs towards equity investments in subsidiary and in respect of preference share of the subsidiary company, the Company had provided Impairment Provision of ₹ 4,002.27 lakhs fully on account of change in fair value. The management of the Company is of view of that the said impairment provision is considered adequate.

### b) IITL Management and Consultancy Private Limited (Formerly known as IIT Insurance Broking and Risk Management Private Limited)

As at March 31, 2023, the Company is carrying impairment provision of ₹127.07 lakhs on equity investment based on the audited net worth as at March 31, 2023. The management of the Company is of view of that the said impairment provision is considered adequate. IIT Insurance broking and Risk Management Private Limited changed its name to IITL Management and Consultancy Private Limited and also changed its Object Clause. The fresh Certificate of Registration (COR) was received from Ministry of Corporate Affairs. The Company sent a copy of certificate to IRDAI. IRDAI granted certificate of surrender to the Company vide email dated November 25, 2021. The Company ceases to be an Insurance Broking company.

### (c) IIT Investrust Limited (IITIL)

As at March 31, 2023, the Company is carrying impairment provision of ₹ 344.61 lakhs on equity investment based on the audited net worth as at March 31, 2023. The management of the Company is of view of that the said impairment provision is considered adequate.

### d) World Resorts Limited (WRL)

The Company has investment in equity shares and preference shares of WRL. WRL has incurred loss in the current year and the net worth of the associate is negative as on March 31, 2023.

Considering the above, the Company has provided loss of ₹ 1,551.81 lakhs toward entire equity investment and ₹ 1,099.14 lakhs toward preference share investment on account of change in fair value as at March 31, 2023.

### Note 42 :

The Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. Vide said letter, the RBI has prohibited the Company to expand its credit/investment portfolio other than investment in Government Securities till Net Non-performing Assets (NPA's) are brought down to below 5%. The Board of the Company in its meeting held on August 13, 2018 discussed and deliberated on the issues raised by RBI. The board of the Company drew an action plan for the same and submitted response to the RBI accordingly. Further RBI vide their e-mail dated October 06, 2022 interalia advised the Company to rectify the imbalance in financial assets to total assets criteria. The Company has taken necessary steps (Including making investments in G-Secs) and has met the Financial assets to Total assets criteria from Quarter 3 of 2022-23 and has met both Financial Assets to Total Assets and Financial Income to Total Income criteria for Quarter 4 of 2022-23.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**Note 43 : Fair value measurements**
**A) Financial instruments by category**

Particulars	Category	(₹ in '000)	
		As at March 31, 2023	As at March 31, 2022
<b>i) Financial Assets</b>			
Cash and cash equivalents	Amortised cost	27,161.79	5,748.24
Bank balances other than above	Amortised cost	147,572.65	2,467,682.84
Receivables			
Trade receivables	Amortised cost	873.06	-
Other receivables	Amortised cost	4,790.64	4,850.53
Loans	Amortised cost	-	-
Investments			
Equity shares			
Subsidiary, associates and joint ventures	Amortised cost	58,180.64	60,328.85
Preference shares			
subsidiary	FVTPL - Level 3	95,240.34	131,210.00
associates	FVTPL - Level 3	423,400.00	417,496.61
joint ventures	FVTPL - Level 3	-	-
Other Investments	Amortised cost	2,782,064.11	-
Security deposits	Amortised cost	6,606.16	3,752.91
Other receivables	Amortised cost	-	297.23
<b>Total</b>		<b>3,545,889.39</b>	<b>3,091,367.21</b>
<b>ii) Financial liabilities</b>			
Trade payable	Amortised cost	2,112.99	26,334.88
Unclaimed dividends	Amortised cost	-	392.81
Lease liabilities	Amortised cost	3,164.98	11,286.83
Other liabilities	Amortised cost	24.75	683.89
<b>Total</b>		<b>5,302.72</b>	<b>38,698.41</b>

**(B) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. Fair values were measured by using level 3 inputs

For all the financial assets and liabilities referred above that are measured at fair value through profit or loss, their fair values were measured by using level 3 inputs

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 44 : Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Committee for Investment/Loans and Risk Management, which is responsible for developing and monitoring the Company's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Committee for Investment/Loans and Risk Management of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimizing returns; and
- protect the Company's financial investments, while maximizing returns.

The Treasury department is responsible to maximize the return on companies internally generated funds.

#### A. Credit Risk

Credit risk is the risk of financial loss to the company if a customer or counter-party fails to meet its contractual obligations.  
Investment in debt instrument:

The Company assesses and manages credit risk based on credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The Company has accounted impact of credit risk wherever requires.

Loan :

The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring of the associated loss ratios and of default correlations. The Company measures credit risk using Expected Credit Loss (ECL) under Ind AS 109. Also, the Company adheres to guidelines on provisioning for non-performing assets as defined by the RBI.

#### Expected credit loss measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below. The objective of the impairment requirements is to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition - whether assessed on an individual or collective basis - considering all reasonable and supportable information including that which is forward-looking.

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.

If significant increases in credit risk ('SICR') since initial recognition is identified the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

If the financial instrument is credit-impaired the financial instrument is then moved to 'Stage 3'. Financial instruments in Stage 1 have their ECL measured at an amount equal to 12 month ECLs. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The measurement of ECL is calculated using three main components: (i) Probability of Default (PD) (ii) Loss Given Default (LGD) and (iii) the Exposure At Default (EAD).

Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation either over the next 12 months (12M PD) or over the remaining lifetime (Lifetime PD) of the obligation.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Exposure At default (EAD) is the total amount of an asset the entity is exposed to at the time of default. EAD is defined based on the characteristics of the asset. EAD is dependent on the outstanding exposure of an asset sanctioned amount of a loan and credit conversion factor for non-funded exposures.

Loss given default (LGD) It is the part of an asset that is lost provided the asset default. The recovery rate is derived as a ratio of discounted value of recovery cash flows (incorporating the recovery time) to total exposure amount at the time of default. Recovery rate is calculated for each segment separately. Loss given default is computed as (1 - recovery rate) in percentage terms.

### B. Management of Market risks

- price risk; and
- interest rate risk

The company does not designate any fixed rate financial assets as fair value through profit and loss nor at fair value through OCI. Therefore company is not exposed to any interest rate risks. Similarly company does not have any financial instrument which is exposed to change in price."

### C. Management of Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence.

The Company is exposed to liquidity risk principally as a result of lending and investment for periods which may differ from those of its funding sources. The management actively manage asset liability positions in compliance with the ALM policy of the company laid down in accordance overall guidelines issued by RBI in the Asset Liability Management (ALM) framework.

### Maturity of financial assets and liabilities as at March 31, 2023

(₹ in '000)

Particulars	less than 3 months	3 - 12 months	1-2 years	2-5 years	More than 5 years	Total
<b>Financial assets</b>						
Cash and cash equivalents	27,161.79	-	-	-	-	27,161.79
Bank balances other than above	-	147,572.65	-	-	-	147,572.65
Trade receivables	873.06	-	-	-	-	873.06
Other receivables	2,550.31	1,956.54	283.79	-	-	4,790.64
Loans	-	-	-	-	-	-
Investments	2,736,178.84	45,885.28	-	-	576,820.98	3,358,885.09
Other financial assets	-	-	114.16	6,492.00	-	6,606.16
<b>Total</b>	<b>2,766,764.00</b>	<b>195,414.47</b>	<b>397.95</b>	<b>6,492.00</b>	<b>576,820.98</b>	<b>3,545,889.39</b>
<b>Financial liabilities</b>						
Trade payable	388.48	1,724.51	-	-	-	2,112.99
Lease liabilities	-	-	1,000.72	2,164.26	-	3,164.98
Other financial liabilities	24.75	-	-	-	-	24.75
<b>Total</b>	<b>413.23</b>	<b>1,724.51</b>	<b>1,000.72</b>	<b>2,164.26</b>	<b>-</b>	<b>5,302.72</b>
<b>Net financial assets/ (liabilities)</b>	<b>2,766,350.77</b>	<b>193,689.96</b>	<b>(602.77)</b>	<b>4,327.74</b>	<b>576,820.98</b>	<b>3,540,586.67</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Maturity of financial assets and liabilities as at March 31, 2022**

(₹ in '000)

Particulars	less than 3 months	3 - 12 months	1-2 years	2-5 years	More than 5 years	Total
<b>Financial assets</b>						
Cash and cash equivalents	5,748.24	-	-	-	-	5,748.24
Bank balances other than above	24,714.39	2,397,047.71	45,920.73	-	-	2,467,682.83
Other receivables	899.99	3,091.64	858.90	-	-	4,850.53
Loans	-	-	-	-	-	-
Investments	-	-	-	-	609,035.46	609,035.46
Other financial assets	297.23	-	3,752.91	-	-	4,050.14
<b>Total</b>	<b>31,659.85</b>	<b>2,400,139.35</b>	<b>50,532.54</b>	<b>-</b>	<b>609,035.46</b>	<b>3,091,367.20</b>
<b>Financial liabilities</b>						
Trade payable	303.74	26,031.14	-	-	-	26,334.88
Lease liabilities	-	-	-	16,140.91	-	16,140.91
Other financial liabilities	683.89	392.81	-	-	-	1,076.70
<b>Total</b>	<b>987.63</b>	<b>26,423.95</b>	<b>-</b>	<b>16,140.91</b>	<b>-</b>	<b>43,552.49</b>
<b>Net financial assets/ (liabilities)</b>	<b>30,672.22</b>	<b>2,373,715.40</b>	<b>50,532.54</b>	<b>(16,140.91)</b>	<b>609,035.46</b>	<b>3,047,814.71</b>

**D. Capital Management**

The company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the balance sheet includes retained profit and share capital.

The company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and optimise returns for the shareholders. The capital structure of the company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders.

**Note 45 : Disclosure in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016**

**45(A) : Capital**

Particulars	As at	As at
	March 31, 2023	March 31, 2022
CRAR (%)	769.00	716.02
CRAR - Tier I Capital (%)	769.00	716.02
CRAR - Tier II Capital (%)	-	-
Amount of subordinated debt raised as Tier-II Capital (₹ '000)	-	-
Amount raised by issue of perpetual Debt Instruments (₹ '000)	-	-
Liquidity coverage ratio	NA*	NA*

\* The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Master Direction - Non-Banking Financial Company (Reserve Bank) Directions as at 31 March 2023 and 31 March 2022.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**45(B) : Investment** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(1) Value of Investments</b>		
(i) Gross value of investments		
(a) In India*	3,639,178.43	853,710.96
(b) Outside India	-	-
(ii) Provision for depreciation/impairment		
(a) In India	(280,293.34)	(244,675.50)
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	3,358,885.09	609,035.46
(b) Outside India	-	-
<b>(2) Movement of provision held towards depreciation on Investments</b>		
(i) Opening balance	(242,175.47)	(376,690.73)
(ii) Add: Provision made during the year	(38,117.87)	(984.74)
(iii) Less: Write-off/wrote-back of excess provision during the year	-	135,500.00
(iv) Closing balance	(280,293.34)	(242,175.47)

\* includes investment in preference shares carrying at fair value.

**45(C) : Derivatives**

The Company does not have any exposure in derivatives during the year, hence not applicable.

**45(D) : Disclosures relating to Securitisation**

The Company does not have any exposure in securitisation during the year, hence not applicable.

**45(E) : Assets Liability management maturity pattern of certain items of Assets and Liabilities**

**As at March 31, 2023** (₹ in '000)

Particulars	Deposits	Advances*	Investments	Borrowing	Foreign currency assets	Foreign currency liabilities
upto 30/31 days (One month)	-	-	1,443,579.59	-	-	-
Over one month upto 2 months	-	-	1,292,599.25	-	-	-
Over 2 months upto 3 months	-	-	45,885.28	-	-	-
Over 3 months upto 6 months	-	-	-	-	-	-
Over 6 months upto 1 year	-	-	-	-	-	-
Over 1 year upto 3 years	-	-	-	-	-	-
Over 3 years upto 5 years	-	-	-	-	-	-
Over 5 years	-	-	576,820.98	-	-	-
<b>Total</b>	-	-	<b>3,358,885.09</b>	-	-	-



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

As at March 31, 2022

(₹ in '000)

Particulars	Deposits	Advances*	Investments	Borrowing	Foreign currency assets	Foreign currency liabilities
upto 30/31 days (One month)	-	-	-	-	-	-
Over one month upto 2 months	-	-	-	-	-	-
Over 2 months upto 3 months	-	-	-	-	-	-
Over 3 months upto 6 months	-	-	-	-	-	-
Over 6 months upto 1 year	-	-	-	-	-	-
Over 1 year upto 3 years	-	-	-	-	-	-
Over 3 years upto 5 years	-	-	-	-	-	-
Over 5 years	-	-	609,035.46	-	-	-
<b>Total</b>	-	-	<b>609,035.46</b>	-	-	-

\* Net of impairment allowances.

**Notes:**

The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration structural liquidity guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the Assets-Liability Committee with regard to the timing of various cash flows, which has been relied upon by the auditors.

**45(F): Exposures**

**i) Exposure to Real Estate Sector**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
a) Direct Exposure		
i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented:	-	-
- Individual housing loans up to ₹ 15 lakh	-	-
- Individual housing loans above ₹ 15 lakh	-	-
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial buildings, multi-tenanted commercial premises, multi-family residential premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure includes non-fund based (NFB) limits.	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
1. Residential	-	-
2. Commercial Real Estate		
iv) Indirect exposure:-		
Fund based and non-fund-based exposures on Housing Finance Companies.	-	-

Note: The Company has given term loans to joint ventures of the subsidiary engaged in real estate business of construction of residential complexes which are not covered by the above mentioned categories. The outstanding balance of such loans is ₹ Nil ('000) (Previous year ₹ 4,50,546.42('000) ). The Company also has long-term equity investments in the said subsidiary of ₹ 58,180.64 ('000) (Previous year ₹ 60,328.85 ('000)) and preference shares on which entire loss of carrying amount provided in the previous year.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 45(F): Exposures (Contd.)**

**ii) Exposure to Capital Market**

Particulars	As at March 31, 2023	As at March 31, 2022
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) Bridge loans to companies against expected equity flows / issues;	-	-
viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
<b>Total Exposure to Capital Market</b>	<b>-</b>	<b>-</b>

**iii) Sectoral exposure:**

**Sectoral credit - Quality of loan assets - Sectoral analysis**

(₹ in '000)

Sector	31.03.2023			31.03.2022		
	Total Exposure (includes on balance sheet and off- balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off- balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
<b>1. Industry</b>						
1 Micro and Small						
2 Medium						
3 Large						
4 Others :-	-	-	-	440,546.42	(440,546.42)	100%
(Loans to Joint ventures of subsidiary company)						

**iv) Intra-group exposures**

(₹ in '000)

Particulars	31.03.2023	31.03.2022
i) Total amount of intra-group exposures	-	440,546.42
ii) Total amount of top 20 intra-group exposures	-	440,546.42
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.00%	100.00%

v) There were no unhedged foreign currency transactions during current year.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

Disclosure of details as required by Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 - Disclosures in Financial Statements- Notes to Accounts of NBFCs dated April 19, 2022

**vi) Related Party Transaction For the Year ended March 31, 2023**

(₹ in '000)

Nature of transaction	"Parent (as per ownership or control) "		Subsidiary		Associate / Joint Ventures		Key Managerial Personnel (KMP)		Relatives of Key Management Personnel @		Directors		Total	Maximum outstanding amount during the year
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
<b>Borrowings</b>			-		-								-	
<b>Deposits</b>	-		-		-								-	
<b>Placement of deposits</b>	-		-		-								-	
<b>Advances#</b>	-		-		-								-	
<b>Loan repayment</b>														
IITL Nimbus The Palm Village					30,000.00								30,000.00	30,000.00
IITL-Nimbus The Hyde Park					162,794.96								162,794.96	162,794.96
IITL Nimbus The Express Park View					247,751.46								247,751.46	247,751.46
<b>Investments#</b>														
IITL Projects Limited			58,180.64	60,328.85									118,509.49	118,509.49
IIT Investrust Limited			82,948.14	117,410.00									200,358.14	200,358.14
"IITL Management and Consultancy Private Limited (Formerly IIT Insurance Broking and Risk Management Pvt Ltd)"			12,292.20	13,800.00									26,092.20	26,092.20
World Resorts Limited					423,400.00	417,496.61							840,896.61	840,896.61
<b>"Purchase of fixed/other assets"</b>	-		-		-								-	
<b>Sale of fixed/other assets</b>	-		-		-								-	
<b>Interest Paid</b>														
<b>Interest Received*</b>														
IITL Nimbus the Express Park View					6,685.22	-							6,685.22	
IITL Nimbus the Palm Village					1,720.70	-							1,720.70	
World Resorts Limited					68.03	3,080.12							3,148.16	
IITL Management and Consultancy Private Limited					691.60	-							691.60	
Capital Infraprojects Private Limited						519.25							519.25	
IITL Nimbus The Hyde Park						14,367.88							14,367.88	
<b>Others*</b>														
Dr. B. Samal, Executive Chairman							3,516.00	4,524.00					8,040.00	
Cumi Banerjee, CEO (Secretarial, Legal and Admin) & Company Secretary							3,864.00	3,930.57					7,794.57	
Rajev Adlakha, CEO- NBFC Operations (w.e.f. February 10, 2023)							891.50	-					891.50	
Kamlesh Agrawal, CFO (Regined on February 16, 2023)							1,999.18	2,100.00					4,099.18	
Ajit Mishra, COO (from November 21, 2022 till February 16, 2023)							568.61	-					568.61	
Ajit Mishra, CFO (w.e.f. February 17, 2023)							279.64						279.64	
<b>Directors:</b>														
Mr. Bipin Agarwal											300.00	300.00	600.00	
Mr. Venkatesan Narayanan											870.00	720.00	1,590.00	
Mr. Shankar Narayan Mokashi											720.00	450.00	1,170.00	
Mr. Sujata Chattopadhyay											240.00	240.00	480.00	
Mr. Milind Desai											570.00	600.00	1,170.00	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**45(G): Details of financing of parent company products**

The Company does not have any Parent Company, hence not applicable.

**45(H): Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the applicable NBFC**

The Company has not exceeded the prudential exposure limits for Single Borrower Limited (SGL) / Group Borrower Limited (GBL).

**45(I): Unsecured Advances**

The Company has not granted unsecured advances against collateral of intangible securities such as charge over the rights, licenses or authority.

**45(J): Registration/ licence/ authorisation obtained from other financial sector regulators:**

In addition to registration with RBI as NBFC-NDSI, the Company has not obtained any registration/ licence/ authorisation, by whatever name called, from other financial sector regulators

**45(K): Ratings assigned by credit rating agencies and migration of ratings during the year:**

The Company has not obtained credit ratings from credit rating agencies during the year

**45(L): Disclosure of Penalties imposed by RBI or other regulators:**

No penalties were imposed by RBI or SEBI (being the regulator for the Company) for the year ended 31<sup>st</sup> March, 2023.

**45(M): Related Party transactions:**

Please refer to note no 36

**45(N): information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries:**

**Sr. No. Name of joint venture and country of incorporation Area / Country of operation**

1 Future Generali India Life Insurance Company Limited (FGILICL) (upto March 28, 2022) India

The Company do not have overseas subsidiaries.

**Note 45(O): Remuneration of directors:**

(₹ in '000)

Name of director	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Remuneration	Provident fund and others	Sitting fees	Remuneration	Provident fund and others	Sitting fees
Dr. B. Samal	1,800.00	1,716.00	-	2,700.00	1,824.00	-
Mr. Bipin Agarwal	-	-	300.00	-	-	300.00
Mr. Venkatesan Narayanan	-	-	870.00	-	-	720.00
Mr. Shankar Narayan Mokashi	-	-	720.00	-	-	450.00
Mr. Sujata Chattopadyay	-	-	240.00	-	-	240.00
Mr. Milind Desai	-	-	570.00	-	-	600.00

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 46 : Additional Disclosures**

**46(A) : Provisions and Contingencies**

(₹ in '000)

<b>Break up of 'Provisions and Contingencies' shown under the head Expenditure in statement of Profit and Loss Account:</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	(440,546.42)
Provision made towards Income tax (net of deferred tax)	81,450.21	(15.28)
Other Provision and Contingencies (with details)		
Provision towards impairment of financial instruments	(90,650.25)	(86,994.25)
Provision for contingency	5,000.00	5,000.00
Provision for gratuity	0.30	0.26
Provision for compensated absences	78.60	(442.43)
Provision for Standard Assets	-	-

**46(B) : Draw Down from Reserves**

The company has not made any drawdown from reserves during the year.

**46(C) : Concentration of Deposits, Advances, Exposures and NPAs**

**(i) : Concentration of Deposits (for deposit taking NBFCs)**

The Company is non-deposit taking Systemically Important NBFC, hence does not applicable.

**(ii) : Concentration of Advances, Exposures and NPAs**

(₹ in '000)

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Advance</b>		
Total Advances to twenty largest borrowers (₹ In '000)	-	440,546.42
Percentage of Advances to twenty largest borrowers to Total Advances of the applicable NBFC	-	100
<b>Exposures</b>		
Total Exposure to twenty largest borrowers / customers (₹ In '000)	-	440,546.42
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers	-	100
<b>NPAs</b>		
Total Exposure to top four NPA accounts (Rs. In '000)	-	440,546.42

Note: Total exposure represents gross loans and advances and investment in shares.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**(iii) : Sector-wise NPAs**

(₹ in '000)

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2023	As at March 31, 2022
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers*	-	100.00
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

\* includes loan and advances given to partnership firms

**46(D) : Movement of NPAs**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Net NPAs to Net Advances (%)	-	-
(ii) Movement of NPAs (Gross)		
(a) Opening balance	440,546.42	459,046.42
(b) Additions during the year	-	-
(c) Reductions during the year	440,546.42	18,500.00
(d) Closing balance	-	440,546.42
(iii) Movement of Net NPAs		
(a) Opening balance	-	15,764.09
(b) Additions during the year	-	(15,764.09)
(c) Reductions during the year	-	-
(d) Closing balance	-	-
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	440,546.42	443,282.33
(b) Provisions made during the year	-	(2,735.91)
(c) Write-off / write-back of excess provisions	(440,546.42)	-
(d) Closing balance	-	440,546.42

**46(E) : Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)**

The Company does not have any Joint Ventures or Subsidiaries abroad, hence not applicable.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**46(F) : Off-balance Sheet SPVs sponsored**

Particular	Domestic	Overseas
Name of the SPV sponsored	NA	NA

**46(G) : Disclosure of Customer Complaints**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	-	-
No. of complaints redressed during the year	-	-
No. of complaints rejected by the NBFC	-	-
No. of complaints pending at the end of the year	-	-

**46(H) : Instance of Fraud**

Nature of Fraud (cash embezzlement)	Year ended March 31, 2023	Year ended March 31, 2022
Number of cases	-	-
Amount of fraud	-	-
Recovery	-	-
Amount written off	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

(₹ in '000)

Sl.No.	Types of Restructuring Asset Classification	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total				
		Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Total
	Details																	
1	Restructured Accounts as on April 1, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding																	
	Provision thereon																	
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding																	
	Provision thereon																	
3	Upgradations to restructured standard category during year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding																	
	Provision thereon																	
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY																	
7	Restructured Accounts as on March 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding																	
	Provision thereon																	



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

(₹ in '000)

Sl.No.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total					
		Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Total	
1	Restructured Accounts as on April 1, 2021																		
	Asset Classification Details																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year (refer note 44)																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during year (refer note 43)																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31, 2022																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 48 : A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 :**

In terms of the requirement as per RBI notification no RBI/2019-20/170 DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFC) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets).

The below are disclosure of impairment under Ind AS and IRACP norms;

(₹ in '000)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
<b>Performing assets</b>						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	<b>Subtotal</b>	-	-	-	-	-
<b>Non-Performing Assets (NPA)</b>						
Sub-standard	Stage 3	-	-	-	-	-
Doubtful						
- up to 1 year	Stage 3	-	-	-	-	-
- 1 to 3 years	Stage 3	-	-	-	-	-
- more than 3 years	Stage 3	-	-	-	-	-
		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
	<b>Subtotal for NPA</b>	-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 49 : Disclosure as required by Para 18 of Non-Banking Financial Company - Systematically Important and Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016 is as under : (Contd.)**

	<b>Subtotal</b>	-	-	-	-	-
Total	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-

**Note 49 : Disclosure as required by Para 18 of Non-Banking Financial Company - Systematically Important and Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016 is as under :**

**As at March 31, 2023**

(₹ in '000)

Particulars	Amount outstanding	Amount overdue
<b>Liabilities side</b>		
<b>(A) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid</b>		
a) Debentures : Secured	-	-
Unsecured	-	-
(other than falling within the meaning of public deposits)		
b) Deferred credits	-	-
c) Term loans	-	-
d) Inter-corporate loans and borrowing	-	-
e) Commercial paper	-	-
f) Public deposits	-	-
g) Other loans (specify nature)	-	-
<b>(B) Break-up of (A)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)</b>		
a) In the form of unsecured debentures	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
c) Other public deposits	-	-
<b>Assets side</b>		<b>Amount Outstanding</b>
<b>(C) Break-up of Loans and advances including bills receivables [other than those included in (D) below]</b>		
a) Secured		-
b) Unsecured		-
<b>(D) Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>		
i) Lease assets including lease rentals under sundry debtors		
a) Finance lease		-
b) Operating lease		-
ii) Stock on hire including hire charges under sundry debtors		
a) Assets on hire		-
b) Repossessed Assets		-
iii) Other loans counting towards asset financing activities		
a) Loans where assets have been repossessed		-
b) Loans other than (a) above		-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 49 : Disclosure as required by Para 18 of Non-Banking Financial Company - Systematically Important and Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016 is as under : (Contd.)**

Assets side	Amount outstanding
<b>(E) Break-up of Investments</b>	
<b><u>Current Investments</u></b>	
1) Quoted	
i) Shares	
a) Equity	-
b) Preference	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	2,782,064.11
v) Others (please specify)	-
2) Unquoted	
i) Shares	
a) Equity	-
b) Preference	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) Others (please specify)	-
<b><u>Long Term Investments</u></b>	
1) Quoted	
i) Shares	
a) Equity	58,180.64
b) Preference	-
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) Others (please specify)	-
2) Unquoted	
i) Shares	
a) Equity	95,240.34
b) Preference	423,400.00
ii) Debentures and bonds	-
iii) Units of mutual funds	-
iv) Government securities	-
v) Others - Immovable properties	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**(F) Borrower group-wise classification of assets financed as in (C) and (D) above: (net of provisions)**

Category	Secured	Unsecured	Total
1 Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
<b>Total</b>	-	-	-

**(G) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)**

Category	Market Value / Break up or fair value or NAV	Book Value (Net of 'Provisions)
1 Related parties		
(a) Subsidiaries	1,53,420.98	1,53,420.98
(b) Companies in the same group	4,23,400.00	4,23,400.00
(c) Other related parties	-	-
2. Other than related parties	27,82,064.11	27,82,064.11
<b>Total</b>	<b>33,58,885.09</b>	<b>33,58,885.09</b>

**(H) Other information :**

Particulars	Amount
(i) Gross Non-performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

**(I) Data on pledged securities :**

The Company has not pledged any securities during the year ended March 31, 2023 and year ended March 31, 2022.

**Note 50 : Disclosure of ratios: A company is required to disclose the following ratio Analysis :**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022	Variance (%)
CRAR (%)	769.00	716.02	7.40
CRAR - Tier I Capital (%)	769.00	716.02	7.40
CRAR - Tier II Capital (%)	-	-	-
Liquidity coverage ratio	NA*	NA*	-

\* The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Master Direction - Non-Banking Financial Company (Reserve Bank) Directions as at 31 March 2023 and 31 March 2022.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 51: Other Statutory Information**

- (i) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- (ii) Investment property is Nil and hence fair value of investment property is not applicable
- (iii) The Company has not revalued its property, plant and equipments.
- (iv) The Company has not revalued its intangible assets.
- (v) There are no loans or advances in the nature of loans that are granted to promoters, directors, key managerial personnel (KMPs) and the related parties either severally or jointly with any other person, that are: a) Repayable on demand or b) Without specifying any terms or period of repayment.
- (vi) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (vii) The Company does not have borrowings from banks or financial institutions on the basis of security of current assets.
- (viii) The Company is not declared wilful defaulter by any bank or financial Institution or other lender.
- (ix) There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- (x) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (xi) Compliance with number of layer of companies - not applicable
- (xii) Compliance with approved scheme of arrangements - not applicable
- (xiii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (xiv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (xv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xvi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

**Note 52 :**

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

**Note 53 :**

The financial statement is approved by the Board of Directors of the Company in the meeting held on May 27, 2023.

In terms of our report attached  
**For Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

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

**DR. B. SAMAL**  
Chairman  
DIN : 00007256  
Place : Mumbai

**BIPIN AGARWAL**  
Director  
DIN : 00001276  
Place : Delhi

**K V SRINIVASAN**  
Partner  
Membership No. 204368  
Mumbai : May 27, 2023

**CUMI BANERJEE**  
CEO & Company Secretary  
Mumbai : May 27, 2023

**AJIT MISHRA**  
Chief Financial Officer

# **INDUSTRIAL INVESTMENT TRUST LIMITED**

## **CONSOLIDATED FINANCIAL STATEMENTS**

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INDUSTRIAL INVESTMENT TRUST LIMITED

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

#### Qualified Opinion

We have audited the accompanying Consolidated financial statements of **M/s. Industrial Investment Trust Limited** (hereinafter referred to as "the Holding Company or the Parent Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31st March, 2023, and the Consolidated Statement of Profit and Loss for the year, and the Consolidated statement of changes in equity, and the Consolidated statement of Cash flows for the year then ended and notes to the Consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the basis for qualified opinion, section of our report the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2023, the Consolidated Profit and its Consolidated cash flows for the year then ended for the year ended.

#### Basis of Qualified Opinion

The subsidiary IITL Projects Limited being a listed entity the company made provision for differences in the quoted fair value of the investments and its carrying amount in the books of the Company as required by Ind AS 27 read with Ind AS 113. However, as stated in note no 50 (a) of the Statement of financial results regarding investment in its subsidiary IITL Projects Limited, the financials result of the subsidiary have been prepared on a going concern basis, although the subsidiary company is incurring continuous losses and its net worth is negative as on March 31, 2023. In view of the adverse cashflows of the Joint Ventures (JVs) namely IITL-Nimbus, The Hyde Park Noida, IITL-Nimbus The Express Park View, IITL-Nimbus The Palm Village and Capital Infra Projects Limited their ability to continue as a going concern is doubtful. Based on the financial statement of joint venture as well estimated cash flow, the investment in three joint ventures namely IITL-Nimbus Express park view, IITL-Nimbus The Hyde Park and Capital infra Projects are fully impaired and recognised. Further as at 31 March 2023 the accumulated losses of subsidiary is ₹ 6047.06 lakhs exceeds the paid up equity capital and the net worth of the Subsidiary stands fully eroded. The current liabilities of the Company exceed its current assets and non-current liabilities dues towards redeemable preference shares is more than the estimated realizable value of the other non-current assets. These conditions indicate the existence of uncertainty that may cast significant

doubt on the Subsidiary ability to continue as a going concern. The ultimate outcome of the above is not ascertainable at present and hence we are unable to comment on the consequential impact, if any on the accompanying Financial Statements.

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

#### Emphasis of Matter

- i) We draw attention to note no 50 (c) of the Statement regarding investment in its subsidiary IITL Management and Consultancy Private Limited (formerly known as IIT Insurance Broking and Risk Management Private Limited), the management of the Company is of the view, for the reasons stated in the note, that impairment of ₹ 127.07 lakhs towards equity investment as at March 31, 2023 is considered adequate based on audited net worth as at March 31, 2023.
- ii) We draw attention to note no 50 (b) of the Statement, regarding investment in joint venture, IIT Investtrust Limited, (IITIL). the management of the Company is of the view, for the reasons stated in the note, that impairment of ₹ 344.61 lakhs towards equity investment as at March 31, 2023 is considered adequate based on audited net worth as at March 31, 2023.
- iii) We draw attention to note no 50 (e) of the Statement, regarding investment in associate company World Resorts Limited (WRL). The associate has incurred loss in the current period and the net worth of the associate has eroded. The management of the Company is of view, for the reasons stated in the note, that impairment of ₹ 1551.81 lakhs towards equity investments and ₹ 1099.14 lakhs towards Preference share investments as at March 31, 2023 is considered adequate.
- iv) We draw attention to note no 53 of Statement the Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. vide said letter, the RBI has prohibited the Company not to expand its credit/investment portfolio other than investment in Government Securities till net Non-Performing Assets ("NPAs") are brought down to below 5%.

Our opinion is not modified in respect of these matters



**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of Consolidated 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 Matters	Auditor's Response
<p><b>Carrying Value of Investments</b> (Refer Note 2.11 "Financial Instrument" and Note 7 and Note 46 of the Consolidated Financial Statements)</p> <p>The investments portfolio in Subsidiaries, Associate and Joint venture is valued at ₹ 576820.98 (in thousands) as at March 31, 2023. The Impairment review of unquoted investment is considered to be risk area due to the size of the balances as well as the judgmental nature of key assumptions which may be subject to management override.</p> <p>Impairment assessment commences with management's evaluation on whether there is an indication of impairment loss. As part of such evaluation, management considers financial information, liquidity and solvency position of subsidiaries, associates and joint venture.</p> <p>Management also considers other factors such as assessment of company's operations, business performance and modifications, if any, by the auditors of such subsidiaries, associates and joint venture. Based on such evaluation the Company has made impairment provisions against the above investments.</p> <p>We focused on this area due to magnitude of the carrying value of investments in subsidiaries, associates and joint venture, which comprise 16.00 % of the total assets as at March 31, 2023 and are subject to annual impairment assessment</p>	<p>Our audit procedures included and were not limited to the following:</p> <ol style="list-style-type: none"> <li>Reviewed the Accounting Policies used by the Company for accounting and disclosing Investment for compliance with the accounting framework.</li> <li>Evaluated the valuation methodology recommended by the valuation expert.</li> <li>Assessed the adequacy of internal controls, evaluated the design and tested the operating effectiveness of such controls for initial recognition, subsequent measurement and disclosure of investments as on the reporting date as per applicable regulations.</li> <li>Held discussions with management regarding appropriate implementation of policy on impairment.</li> <li>Obtained and read latest audited financial statements of subsidiaries and associates. Noted key financial attributes.</li> </ol> <p>We evaluated the impairment assessment performed by management</p>
<p><b>Investment in Government Securities</b></p> <p>As on 31st March 2023, the Company has invested in Government Securities of ₹ 27820.64 Lakhs. We consider Investment in Government Securities as a key audit matter given the relative size of the balance in the financial statements.</p>	<p>We have verified and tested the design and operating effectiveness of controls with regard to Investment in Government Securities.</p> <p>We have verified all the purchase contracts as well as Holding statement.</p> <p>We have also received confirmation from broker directly which corroborates with the result of our audit procedure.</p>

The following Key Audit Matters were included in the audit report dated May 26, 2023, containing an Qualified audit opinion on the financial statements of IITL Projects Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountant reproduced as under:

Key Audit Matters	Auditor's Response
<p>In view of Current status of the Real estate industry and in particular adverse cash flows of the joint venture namely, IITL Nimbus, The Hyde Park Noida, IITL-Nimbus The express park view, IITL Nimbus The Palm Village, and Capital Infra Projects Limited, the Company ability to continue as going concern is doubtful. The Company financial statement were prepared on going concern basis. Management statement is set out in Note 30 to the financial statements. This being fundamental to the understanding of financial matters we consider it as key audit matter.</p>	<p>Based on the audit procedure and tests of the management estimates of the standalone cash flows there exists a significant doubt on the company's ability to continue as a going concern. This is also brought out in our audit opinion in basis for Qualified Opinion.</p>

Key Audit Matters	Auditor's Response
<p><b>Impairment provision for Investments in Three joint ventures</b></p> <p>Based on the financial statement of joint ventures as well as estimated cash flows impairment loss for the full carrying value is recognised as impairment loss. This being significant management judgement we consider it as a key Audit Matter.</p>	<p>We applied our audit review procedures on the JV financials audited by other auditors as well as the estimate of the cash flows made by the management. Based on the procedures applied, we concluded necessary provision for impairment is made.</p>

The following Key Audit Matters were included in the audit report dated May 26, 2023, containing an unmodified audit opinion on the financial statements of IIT Investtrust Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountant reproduced as under:

Key Audit Matters	Auditor's Response
<p><b>Financial exposure to Group Company</b></p> <p>As on 31st March 2023, the Company has advances receivable from group company amounting of ₹.50 lakhs. Refer Note 7 to the financial statements.</p> <p>Considering the financial position of the Group Company, the Company has provided the Impairment.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures in relation to management's assessment of impairment risk and financial exposure included the following:</p> <ul style="list-style-type: none"> <li>Evaluating and validating the design and operating effectiveness of the controls over determination of recoverable value of advances (including assumptions and judgments);</li> <li>Assessing along with the auditor's experts the reasonableness of the Company's process regarding impairment assessment and assumptions used in the impairment model;</li> <li>Evaluating the Company's impairment testing results against our expectations;</li> <li>Testing the mathematical accuracy of the underlying calculations.</li> </ul> <p>Based on the above procedures performed, the management's assessment in respect of impairment risk of financial exposure is considered to be reasonable.</p>
<p><b>Evaluation of Uncertain Tax positions</b></p> <p>The Company has material uncertain tax position including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>Principal Audit Procedures</p> <p>Obtained details of completed tax assessments and demands for the year ended March 31, 2023 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.</p>

#### Information Other Than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information in the Annual Report, comprising of the Director's report and its annexures, but does not include the Consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that if there is a material misstatement of

this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management Responsibilities for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies, of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective board of directors of the companies and of its associates and jointly controlled entities are responsible for assessing the ability of the Parent Company and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of directors of the Companies and of its associates and jointly controlled entities are responsible for overseeing the Company financial reporting process of its associates and jointly controlled entities.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company 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 Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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 Consolidated 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.

#### **Other Matters**

In respect of three subsidiaries, One of the Subsidiary have been audited by us and other two have been audited by respective independent Auditors whose IND AS financial statements include total assets of ₹ 3840.86 lakhs, total revenues of ₹ 197.64 lakhs and net cash outflows of ₹ 22.86 lakhs and financial statements and other financial information of two associate and five joint ventures which reflects Group's share of net Profit after tax of

₹ 580.11 lakhs for the year ended March 31, 2023. These Ind AS financial statements have been audited by other auditors whose the financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of such other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

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

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - 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 and the reports of the other auditors.
  - c) The consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash flow statements dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representation received from the directors as on 31st March 2023 taken on record by the Board of directors of the Parent company and the reports of the statutory auditors of its associate company and jointly controlled companies, none of the directors is disqualified as on 31st 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 A". 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 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 remuneration paid by the Group and its Associate to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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 has disclosed impact of Pending litigation on its financial position in its Standalone Financial Statements -Refer Note 26 (b).
  - ii. The Group and its associates and jointly controlled entities did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary Company and Associate incorporated in India.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities ("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 have been received by the division from any persons or entities, including foreign entities ("funding Parties"), with the understanding, whether recorded in writing or otherwise, that the division 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; and
    - (c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v. (a) The company has not declared any final dividend for the financial year 2020-2021 and interim dividend for the financial year 2021-22.

- b) The Company has not proposed any final dividend up to the date of our report.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of

the subsidiaries, joint ventures and associates, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure B" a statement on the matters specified in paragraph 3(xxi) of the Order

**For Maharaj N R Suresh and co LLP**  
**Chartered Accountants**  
**FRN NO:001931S/S000020**

**K V Srinivasan**  
**Partner**  
**Membership NO:204368**  
**UDIN:23204368BGWWUZ5989**

**Place: Mumbai**  
**Date: May 27, 2023**

**“Annexure - A” to the Independent Auditor’s Report of even date on the Consolidated Ind AS Financial Statements of M/s. INDUSTRIAL INVESTMENT TRUST LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

1. We have audited the internal financial controls over financial reporting **M/s. Industrial Investment Trust Limited** (hereinafter referred to as “Parent”), and its associates and jointly controlled entities as of 31st March, 2023 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

2. The respective Board of Directors of the Company and its Subsidiary Company and Associate Company which are incorporated in India 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. 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 its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

3. Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

5. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Consolidated Ind AS financial statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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



**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

8. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

9. In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st 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 Institute of Chartered Accountants of India.

**Other Matters**

10. Our aforesaid Reports under section 143(3) (i) of the Act on the adequacy and Operating effectiveness of the Internal Financial Controls over Financial Reporting in so far as it relates to the Joint Venture and Associate which are Companies incorporated in India, is based on the corresponding Reports of the Auditors of Such Companies incorporated in India.

**For Maharaj N R Suresh and co LLP**

**Chartered Accountants**

**FRN NO:001931S/S000020**

**K V Srinivasan**

**Partner**

**Membership NO:204368**

**UDIN:23204368BGWWUZ5989**

**Place: Mumbai**

**Date: May 27, 2023**



**Annexure B referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our Independent Auditor’s report of even date, to the members of Industrial Investment Trust Limited (“the Holding Company”) on the Consolidated Financial Statements for the year ended March 31, 2023.**

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, and based on the consideration of reports of auditors in respect of joint ventures and associates, we state that the adverse remarks by the respective auditors in their reports on Companies (Auditor’s Report) Order, 2020 of the companies included in the Consolidated Financial Statements are U\*

S.NO	NAME	CIN	JOINT VENTURE/ ASSOCIATE	CLAUSE NUMBER OF CARO REPORT WHICH IS ADVERSE
1	IIT Investrust Limited	U67190MH1992PLCO70247	Subsidiary	Clause (iii) Clause (vii)
2	IITL Manageemnt and consultancy Limited	U93000MH2008PTC187076	Subsidiary	Clause (vii)
3	Capital Infraprojects Private limited	U45400DL2010PTC203755	Jointventure	Clause (vii) Clause (xix)
4	World Resorts Limited	U85110KA1995PLC017694	Associate	Clause (vii) (b) (c)

**For Maharaj N R Suresh and co LLP**  
**Chartered Accountants**  
**FRN NO:001931S/S000020**

**K V Srinivasan**  
**Partner**  
**Membership NO:204368**  
**UDIN:23204368BGWWUZ5989**

**Place: Mumbai**

**Date: May 27, 2023**



**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023**

(₹ in '000)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>I. Financial assets</b>			
Cash and cash equivalents	3	29,448.49	9,005.13
Bank balances other than cash and cash equivalents	4	191,604.96	2,520,227.22
Receivables	5		
(i) Trade receivables		3,233.37	8,280.51
(ii) Other receivables		6,571.19	5,931.55
Loans	6	30,000.00	-
Investments	7	3,426,470.36	724,160.54
Other financial assets	8	7,208.10	4,877.08
		<b>3,694,536.47</b>	<b>3,272,482.03</b>
<b>II. Non-financial assets</b>			
Inventories	9	24,834.73	34,042.64
Current tax assets (net)	10	15,510.67	22,872.22
Deferred tax assets	11	340.76	61,458.01
Property, plant and equipment	12	44,021.20	55,372.48
Other Intangible assets	13	28.31	52.71
Other non-financial assets	14	52,676.65	47,813.13
		<b>137,412.32</b>	<b>221,611.19</b>
<b>Total Assets</b>		<b>3,831,948.79</b>	<b>3,494,093.22</b>
<b>EQUITY AND LIABILITIES</b>			
<b>LIABILITIES</b>			
<b>I. Financial Liabilities</b>			
Payable	15		
(i) Trade payable			
- total outstanding dues of micro enterprises and small enterprises		391.99	307.25
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,252.22	29,392.38
Other financial liabilities	16	225,706.52	295,136.08
		<b>230,350.73</b>	<b>324,835.71</b>
<b>II. Non-financial Liabilities</b>			
Provisions	17	6,658.13	6,734.57
Deferred tax liabilities	18	56.32	24.89
Other non-financial liabilities	19	10,978.46	18,795.53
		<b>17,692.91</b>	<b>25,554.99</b>
<b>III. EQUITY</b>			
Equity share capital	20	225,475.50	225,475.50
Other equity	21	3,515,195.74	3,066,041.88
Non-controlling interest	22	(156,766.09)	(147,814.86)
		<b>3,583,905.15</b>	<b>3,143,702.52</b>
<b>Total Equity and Liabilities</b>		<b>3,831,948.79</b>	<b>3,494,093.22</b>

Significant accounting policies

2

The accompanying notes (1-56) form integral part of the financial statements.

Vide our report of even date attached  
For **Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

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

**DR. B. SAMAL**  
Chairman  
DIN : 00007256

**BIPIN AGARWAL**  
Director  
DIN: 00001276  
Place: Delhi

**K V SRINIVASAN**  
Partner  
Membership No. 204368

**CUMI BANERJEE**  
CEO & Company Secretary

**AJIT MISHRA**  
Chief Financial Officer

Mumbai : May 27, 2023

Mumbai : May 27, 2023

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

(₹ in '000)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from Operations			
Interest income	23	150,853.54	35,367.83
Dividend income	24	6.82	9.18
Fees and commission income	25	-	35.93
Sale of products	26	14,287.39	12,268.30
Net gain on fair value changes	27	5,903.39	37,533.05
Other income from operations (net)	28	(34.67)	90.25
Total revenue from operations		171,016.47	85,304.54
Other income	29	6,468.03	4,787.98
<b>Total Income</b>		<b>177,484.50</b>	<b>90,092.52</b>
<b>Expenses</b>			
Finance costs	30	1,390.46	2,336.38
Net loss on fair value changes	31	50,011.88	-
Impairment on financial instruments	31(a)	(405,096.42)	(18,090.00)
Cost of sale	32	9,207.91	9,207.92
Employee benefits expenses	33	16,925.83	16,136.28
Depreciation, amortization and impairment	34	9,715.12	9,754.97
Other expenses	35	31,347.10	27,310.24
<b>Total Expenses</b>		<b>(286,498.12)</b>	<b>46,655.79</b>
<b>Profit/(loss) before share of net profit of investment accounted for using equity method and tax</b>		<b>463,982.62</b>	<b>43,436.73</b>
Share of net profit/(loss) of joint ventures and associates accounted for using equity method		58,010.72	(403,627.38)
<b>Profit/(loss) before exceptional items and tax</b>		<b>521,993.34</b>	<b>(360,190.65)</b>
Exceptional items	36	-	716,505.58
<b>Profit/(loss) before tax</b>		<b>521,993.34</b>	<b>356,314.93</b>
<b>Tax expenses</b>	37		
Current tax		24,988.31	-
Deferred tax		56,658.54	1,718.04
Earlier year		(142.14)	-
		81,504.71	1,718.04
<b>Profit/(Loss) from continuing operations</b>		<b>440,488.63</b>	<b>354,596.89</b>
Tax expenses of discontinued operations		-	-
<b>Profit/(loss) for the year</b>		<b>440,488.63</b>	<b>354,596.89</b>
<b>Other comprehensive income/(expenses)</b>			
A. (i) Items that will not be reclassified to profit or loss		399.60	1,668.92
(ii) Income tax related to items that will not be reclassified to profit or loss		(103.90)	(433.92)
<b>Other comprehensive income/(expenses)</b>		<b>295.70</b>	<b>1,235.00</b>
<b>Total comprehensive income/(expenses) for the year</b>		<b>440,784.33</b>	<b>355,831.89</b>
<b>Profit/(loss) is attributable to :</b>			
Owners		449,447.69	324,409.41
Non-Controlling interest		(8,959.06)	30,187.48
		<b>440,488.63</b>	<b>354,596.89</b>
<b>Other comprehensive income/(expenses) attributable to :</b>			
Owners		287.87	1,229.08
Non-Controlling interest		7.83	5.92
		<b>295.70</b>	<b>1,235.00</b>
<b>Total comprehensive income/(expenses) attributable to :</b>			
Owners		449,735.56	325,690.33
Non-Controlling interest		(8,951.23)	30,088.72
		<b>440,784.33</b>	<b>355,779.05</b>
Earning per Equity Shares of ₹10 each attributable to Owners			
- Basic and Diluted	39	19.93	14.39

The accompanying notes (1-56) form integral part of the financial statements.

Vide our report of even date attached  
For **Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

**K V SRINIVASAN**  
Partner  
Membership No. 204368

Mumbai : May 27, 2023

For and on behalf of the Board of Directors

**DR. B. SAMAL**  
Chairman  
DIN : 00007256

**CUMI BANERJEE**  
CEO & Company Secretary

Mumbai : May 27, 2023

**BIPIN AGARWAL**  
Director  
DIN: 00001276  
Place: Delhi

**AJIT MISHRA**  
Chief Financial Officer

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

**(A) Share capital**

(₹ in '000)

	<b>Equity Share Capital</b>
<b>As at April 1, 2021</b>	225,475.50
Changes in equity share capital	-
<b>As at March 31, 2022</b>	225,475.50
Changes in equity share capital	-
<b>As at March 31, 2023</b>	225,475.50

**(B) Other equity**

**1. Reserve and Surplus**

(₹ in '000)

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Other comprehensive income	Retained earnings	Total
<b>Balance as at April 1, 2022 (A)</b>	0.75	4,466,487.47	192,267.51	322,407.00	2,399.75	(1,917,520.60)	3,066,041.88
Change in accounting policy or prior errors							-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
<b>Addition during the year</b>							
Profit/(Loss) for the year	-	-	-	-	-	448,865.99	448,865.99
Item of OCI for the year (net of taxes)	-	-	-	-	-	-	-
Remeasurement of the net defined benefit plan					287.87	-	287.87
<b>Total Comprehensive Income for the year 2022-23(B)</b>	-	-	-	-	287.87	448,865.99	449,153.86
<b>Reduction during the year</b>							
Transfer to special reserve	-	-	-	85,986.34	-	(85,986.34)	-
<b>Total (C)</b>	-	-	-	85,986.34	-	(85,986.34)	-
<b>Balance as at March 31, 2023 (A+B-C)</b>	<b>0.75</b>	<b>4,466,487.47</b>	<b>192,267.51</b>	<b>408,393.34</b>	<b>2,687.62</b>	<b>(1,554,640.95)</b>	<b>3,515,195.74</b>

(₹ in '000)

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Other comprehensive income	Retained earnings	Total
<b>Balance as at April 1, 2021 (A)</b>	0.75	4,466,487.47	192,267.51	322,407.00	1,170.67	(2,241,295.85)	2,741,037.55
Change in accounting policy or prior period errors							-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
<b>Addition during the year</b>							
Profit/(Loss) for the year	-	-	-	-	-	323,775.25	323,775.25
Item of OCI for the year (net of taxes)	-	-	-	-	-	-	-
Remeasurement of the net defined benefit plan					1,229.08	-	1,229.08
<b>Total Comprehensive Income for the year 2021-22(B)</b>	-	-	-	-	1,229.08	323,775.25	325,004.33
<b>Reduction during the year</b>							
Transfer to special reserve	-	-	-	-	-	-	-
<b>Total (C)</b>	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022 (A+B-C)</b>	<b>0.75</b>	<b>4,466,487.47</b>	<b>192,267.51</b>	<b>322,407.00</b>	<b>2,399.75</b>	<b>(1,917,520.60)</b>	<b>3,066,041.88</b>

Significant accounting policies

2

The accompanying notes (1-56) form integral part of the financial statements.

Vide our report of even date attached  
For **Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

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

**DR. B. SAMAL**  
Chairman  
DIN : 00007256

**BIPIN AGARWAL**  
Director  
DIN: 00001276  
Place: Delhi

**K V SRINIVASAN**  
Partner  
Membership No. 204368

**CUMI BANERJEE**  
CEO & Company Secretary

**AJIT MISHRA**  
Chief Financial Officer

Mumbai : May 27, 2023

Mumbai : May 27, 2023

**CONSOLIDATED STATEMENT OF CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash Flow from operating activities</b>		
Profit/(loss) before tax	521,993.34	356,314.93
Adjustments for:		
Depreciation, amortization and impairment	9,715.12	9,756.57
Profit on sale of property, plant and equipment	(0.24)	(0.58)
Profit on sale of investment	-	-
Impairment on financial instruments	(440,546.42)	(18,090.00)
Net loss / (Profit) on fair value changes	44,108.49	(37,533.05)
Interest Income	(104,963.81)	(36,732.47)
Profit on sale of investment in Joint Venture	-	(716,505.58)
Dividend Income	(6.82)	(9.18)
Share of (profit)/loss from associates and joint ventures	(58,010.72)	403,627.37
Interest on advance tax payment	138.57	3.52
Finance cost	1,251.89	2,329.34
<b>Operating profit/(loss) before working capital changes</b>	<b>(26,320.60)</b>	<b>(36,839.13)</b>
<u>Changes in working capital</u>		
Trade and other receivable	3,628.10	(3,798.34)
Inventories	9,207.91	9,207.92
Other assets	(5,457.13)	10,896.42
Dividend account balance with bank	392.81	737.05
Equity shares held for trading	34.66	(90.24)
Trade and other payable	(24,732.26)	1,381.23
Other liabilities	(9,822.68)	4,101.66
<u>Other Adjustment</u>		
Bank balance not considered as cash and cash equivalents	2,328,229.45	(2,293,447.98)
Loans given:		
- Others	(30,000.00)	-
Loans received back:		
- Associates	-	18,500.00
- Joint Ventures	440,546.42	10,000.00
- Others	-	-
Interest received:		
- Joint Ventures	10,742.25	18,467.25
- Others	91,053.15	14,039.38
<b>Cash generated/(used in) from operations</b>	<b>2,787,502.08</b>	<b>(2,246,844.78)</b>
Direct Tax refund/(paid)	(18,686.83)	6,818.00
<b>Net Cash inflow/(outflow) from operating activities</b>	<b>2,768,815.25</b>	<b>(2,240,026.78)</b>

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>B. Cash flow from Investing activities</b>		
Proceeds from sale of investment in Joint Venture	(2,782,064.11)	2,250,000.00
Interest income received from government securities	45,912.70	-
Purchase of Property, plant and equipment (net)	(1,527.90)	(3,779.57)
Dividend Income	6.82	9.18
<b>Net Cash inflow/(outflow) from investment activities</b>	<b>(2,737,672.48)</b>	<b>2,246,229.61</b>
<b>C. Cash flow from financing activities</b>		
Dividend and tax on dividend	(392.81)	(737.05)
Lease payment	(10,306.60)	(6,058.85)
<b>Net Cash inflow/(outflow) from financing activities</b>	<b>(10,699.41)</b>	<b>(6,795.90)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>20,443.36</b>	<b>(593.07)</b>
Cash and cash equivalents at the beginning of the year	9,005.13	9,598.20
<b>Cash and cash equivalents at the end of the year</b>	<b>29,448.49</b>	<b>9,005.13</b>

**Notes:**

1. The above statement of cash flows should be read in conjunction with the accompanying notes.
2. Cash from operating activities has been prepared following the Indirect Method.
3. Component of cash and cash equivalents are defined in Note 3.

Significant accounting policies

2

The accompanying notes (1-56) form integral part of the financial statements.

Vide our report of even date attached  
For **Maharaj N R Suresh and Co.LLP**  
Chartered Accountants  
Firm Registration No. 001931S/S000020

**K V SRINIVASAN**  
Partner  
Membership No. 204368

Mumbai : May 27, 2023

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

**DR. B. SAMAL**  
Chairman  
DIN : 00007256

**CUMI BANERJEE**  
CEO & Company Secretary

Mumbai : May 27, 2023

**BIPIN AGARWAL**  
Director  
DIN: 00001276  
Place: Delhi

**AJIT MISHRA**  
Chief Financial Officer

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### 1.1 Statement of compliance

The Consolidated financial statements of Industrial Investment Trust Limited ('the Holding Company' or, the parent Company, or 'the Company'), its Subsidiaries (together referred to as 'the Group'), Joint venture and Associates for the year ended March 31, 2023 have been prepared in accordance with the provisions of the Companies Act, 2013 and notification issued by Ministry of Corporate affairs on October 11, 2018 issued Division III of Schedule III, which provides the format for financial statements of Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations that require a different treatment.

- 1.2 (i) The financial statements of the following subsidiaries have been consolidated as per Ind AS 110 on "Consolidated Financial Statements" as specified under Section 133 of the 2013 Act.

Name of Subsidiary	For the year ended March 31, 2023	For the year ended March 31, 2022
	Extent of holding (%)	Extent of holding (%)
(i) IIT Investrust Limited (IITIL)	99	99
(ii) IITL Management and Consultancy Private Limited (IITLMCPL) (Formerly IIT Insurance Broking and Risk Management Pvt Ltd) (IITIBRMPL)	100	100
(iii) IITL Projects Limited (IITLPL)	71.74	71.74

All the subsidiaries mentioned above are incorporated in India

- (ii) The financial statements of the following joint venture, have been consolidated using equity method as per Ind AS 111 on "Financial Reporting of Interest in Joint Ventures" as specified under Section 133 of the 2013 Act.

Name of Joint Ventures	For the year ended March 31, 2023	For the year ended March 31, 2022
	Extent of holding (%)	Extent of holding (%)
(i) Capital Infraprojects Private Limited (CIPL)	50	50
(ii) IITL Nimbus The Hyde Park Noida (INHP) - Partnership Firm	50	50
(iii) IITL Nimbus The Express Park View (INEPV) - Partnership Firm	12.08	13.48
(iv) IITL Nimbus The Palm Village (INPV) - Partnership Firm	49.44	49.44
(v) Future Generali India Life Insurance Company Limited (FGILICL) *	( - )	16.62

All the joint ventures mentioned above are incorporated in India

\*Upto March 28, 2022

- (iii) The following associates, investment in which is accounted using equity method as per Ind AS 111 on "Accounting for Investments in Associates in Consolidated Financial Statements" as specified under Section 133 of the 2013 Act.

Name of Associates	For the year ended March 31, 2023	For the year ended March 31, 2022
	Extent of holding (%)	Extent of holding (%)
(i) Golden Palms Facility Management Private Limited (GPFMPL)	50	50
(ii) World Resorts Limited (WRL)	24.62	24.62

### 1.3 Principles of consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

- (i) The Financial statements of the Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Ind AS 110 on 'Consolidated Financial Statements' as specified under Section 133 of the 2013 Act.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### 1.3 Principles of consolidation: (contd.)

- (ii) The financial statements of the joint venture and associates have been consolidated on a equity basis by adding share of profit/loss.
- (iii) The financial statements of the subsidiaries, joint venture and associates used in the consolidation are drawn up to the same reporting date as that of the Company, i.e. March 31, 2023.
- (iv) The excess of cost to the Company of its investment in the subsidiaries and joint venture over the Company's portion of equity, at the dates on which the investments are made/acquired, is recognised in the financial statements as Goodwill being an asset in the Consolidated Financial Statements. Alternatively, where the share of equity in the subsidiaries and joint venture as on the dates of investment /acquisition is in excess of cost of the investment of the Holding Company, it is recognised as Capital Reserve and shown under the head Reserves & Surplus in the Consolidated Financial Statements.
- (v) Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned directly or indirectly, by the Parent Company.
- (vi) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.

### 1.4 Basis of preparation

The financial statements of the Group are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended till date and notification issued by Ministry of Corporate affairs on October 11, 2018 for Non-Banking Financial Companies, as defined in the Companies (Indian Accounting Standards) (Amendments) Rules 2016

The Company follows the Systemically Important Non-Banking Financial (Non Deposit taking Company or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 (RBI guidelines).

The financial statements have been prepared on a historical cost basis, except for the following:

- a) certain financial assets and liabilities are measured at fair value; and
- b) defined benefit plans - plan assets measured at fair value

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 1.5 Functional and Presentation Currency

The financial statements are prepared in Indian Rupees, which is the Group's functional currency.

## 2 Significant Accounting Policies and Key Accounting Estimates and Judgments

### A Significant Accounting Policies

#### 2.1 New and amended standards adopted by the Group

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, and the major amendments are as below:

- a) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and also identify and eliminate immaterial accounting policies from the financial statements. 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 Consolidated financial statements.
- b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' which was absent hitherto, 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 Consolidated financial statements.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

- c) 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 Consolidated financial statements.

### 2.2 Property, Plant and Equipment

Items of property, plant and equipment stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The residual useful life of Property, Plant and Equipment is reviewed at each balance sheet date and adjusted if required in the depreciation rates, depreciation methods, estimated useful lives and residual value.

Depreciation and Amortisation methods, estimated useful lives and residual value.

Depreciation on Property, Plant and Equipment has been provided on the written down value method at the rates determined based on the useful life prescribed in Schedule II to the 2013 Act.

Assets	Estimated Useful Life (Years)
Buildings	60 Years
Furniture and fixtures	10 Years
Computers	2-5 Years
Office Equipment	5 Years
Vehicles	8 Years

### 2.3 Goodwill

#### Goodwill on Acquisition

Goodwill on acquisition represents excess of consideration paid for acquisition of business over the fair value of net assets. Goodwill is not amortised but is tested for impairment at each reporting date.

#### Goodwill on Consolidation

Goodwill on consolidation represents excess cost of investment over the company's share of equity that is carried in balance sheet and is tested for impairment at each reporting date.

### 2.4 Investment Property

The Group Investment Property is initially recognised at cost comprising the purchase price and directly attributable transaction costs. Subsequently it is measured at cost model which is cost less accumulated depreciation and any accumulated impairment losses, other than those which meet the criteria and classified as held for sale.

### 2.5 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The management has estimated the economic useful life for the various intangible assets as follows;

Assets	Estimated Useful Life (Years)
Computer Software	3 Years

### 2.6 Trade receivable

Trade receivables are recognised initially at fair value and subsequently measured at amortized cost using effective interest rate method less provision for impairment by applying expected credit loss.

### 2.7 Borrowings

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

### 2.8 Impairment Loss

Assets subject to amortization/depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill for which impairment losses have been recognized are tested at each balance sheet date in the event that the loss has reversed.

### 2.9 Inventories :

Stock of units in completed project and construction work-in-progress are valued at lower of cost and net realisable value. Cost is aggregate of land cost, premium for development rights, materials, contract works, direct expenses, provisions and apportioned borrowing costs and is net of material scrap receipts, and in case of construction work-in-progress is after ascertaining the cost of sales which is determined based on the total area sold as at the Balance Sheet date.

### 2.10 Investments

Long Term Investments (excluding Investment properties) are valued at cost unless there is a diminution in value, other than temporary for which provision is made. Current investments are stated at lower of cost and fair value. Investment properties are carried individually at cost less accumulated depreciation. Investment properties are capitalised and depreciated in accordance with the policy stated for Property, plant and equipment.

### 2.11 Non-Current Assets held for Sale

A Non Current Asset is classified as held for sale if its carrying amount will be recovered principally through sale rather than through its continuing use, is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale, it is highly probable that sale will take place within next 1 year and sale will not be abandoned.

### 2.12 Cash & Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid mutual funds and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 2.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Financial Assets & Financial Liabilities

#### a) Classification

The Group classifies its financial assets in the following measurement categories:

- i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- ii) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

#### b) Measurement

##### Initial recognition :

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### Subsequent measurement:

After initial recognition, financial assets are measured at:

- i) fair value (either through other comprehensive income or through profit or loss), or
- ii) amortized cost

##### Debt instruments :

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

##### The Group classifies its debt instruments into three measurement categories:

- i) **Amortized Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- ii) **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- iii) **Fair Value through Profit or Loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises. Interest income from these financial assets are recognized in the Statement of profit and loss.

#### c) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group follows twelve month ECL or life time ECL based on the increase in credit risk of the financial assets. However the Company shall provide for non-performing assets as per RBI guidelines.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### d) Income

#### Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset except in case of non-performing assets, where it is recognised upon realisation, as per the RBI guidelines by the parent company.

### e) De-recognition

#### A financial asset is derecognised only when:

- i) the rights to receive cash flows from the asset have expired, or
- ii) the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient. or
- iii) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.”

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if The Group has not retained control of the financial asset. Where The Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### Financial liabilities

#### a) Measurement

##### Initial recognition :

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

##### Subsequent Measurement :

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

#### b) De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

### 2.14 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transition to sell the asset or transfer or transfer liability takes place either:

- a) In the principal market for the asset or liability ,or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Principal or the most advantageous market must be accessible to The Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are more appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable input and minimizing the use of unobservable inputs.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets of liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, The Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, The Group has determined classes of assets and liabilities on the basis of the nature, characteristic and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 2.15 Provisions, contingent liabilities and contingent assets

#### Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

If the effect of the time value of money is material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

#### Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### Contingent assets

Contingent asset is disclosed when there would be a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### 2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to The Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

### 2.17 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) as defined by Ind AS- 108, "Operating segment".

Company's income and expenses including interest are considered as part of un-allocable income and expenses which are not identifiable to any business segment. Company's asset and liabilities are considered as part of un-allocable assets and liabilities which are not identifiable to any business."

### 2.18 Employee Benefit Expense

#### a) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised at an undiscounted amount in respect of employees' service up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### b) Long-term employee benefits

#### 1) Defined contribution plan:

The eligible employees of The Group are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and The Group makes monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to Employees Provident Fund Organisation. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as The Group has no further obligation beyond making the contribution. The Group's contributions to Defined Contribution Plan are charged to Statement of Profit and Loss as incurred.

#### 2) Defined benefit plans

##### i) Gratuity :

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group makes contribution to a fund managed by LIC of India based on management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

##### ii) Compensated absences :

The Group provides for the encashment of leave or leave with pay subject to certain rules. The Employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The Group makes provision for compensated absences based on management estimate made at the end of the year. Gains and losses are recognised in the Statement of Profit and Loss.

### 2.19 Earnings per share

Earnings per share is calculated by dividing the net profit or loss before Other Comprehensive Income (OCI) for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI 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.

### 2.20 Foreign Currency Transactions:

Transactions in foreign currencies are translated to reporting currency based on the exchange rate on the date of the transaction. Exchange differences arising on settlement thereof during the year are recognized as income or expense in the Statement of Profit and Loss.

Cash and bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing date rates and unrealized translation differences are included in the Statement of Profit and Loss.

### 2.21 Taxes

Taxes on income comprise of Current Tax and Deferred Tax.

#### a) Current taxes

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretations. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

#### b) Deferred taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which The Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset when entity has legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is reasonable certainty that The Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that The Group will utilise the credit is recognised in the statement of profit and loss and corresponding debit is done to the deferred tax asset as unused tax credit.

### 2.22 Leases

#### a) As a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, The Group assesses whether: (i) the contract involves the use of an identified asset (ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) The Group has the right to direct the use of the asset. At the date of commencement of the lease, The Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, The Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if The Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### b) As a lessor

Leases for which The Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When The Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the rightof-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### 2.23 Revenue Recognition

- i) Interest on all lending such as inter corporate deposits and finance against securities are accounted on time proportionate basis. In case of Parent Company, interest on non-performing assets, where it is recognised upon realisation, as per RBI guidelines.
- ii) The Group has aligned its policy of revenue recognition with Ind AS 115 "Revenue from Contracts with customers" which is effective from April 1, 2018. Accordingly revenue in realty business is recognised on completion of performance obligation as against recognition based on percentage of completion method hitherto in accordance with the guidance note issued by ICAI which has since been withdrawn for entities preparing financials as per Indian Accounting Standards (Ind AS).
- iii) Rental income is accrued on the basis of the agreement.
- iv) Dividend income is accounted for when the same is approved in AGM by shareholders.
- v) Commission and brokerage is accounted as income on the date of issue of the prime documents by the Insurance Company, except where there are material installments, in which case the brokerage is accounted on the due date of the installment.
- vi) Adjustments to brokerage arising from premium additions, reductions and renewal directly deposited by the client are taken into account as and when they are known.
- vii) Net income from trading of securities is accounted for on the basis of Stock Brokers Contract Notes.
- viii) Brokerage income from Primary market has been recognised on the basis of advice from the Registrar regarding allotment.
- ix) Profit/Losses from share trading/investment activities is determined on the basis of weighted average carrying amount of investments and is recognised on the basis of contract notes.

## B Key Accounting Estimates and Judgments

### 2.24 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### 2.25 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

- a) Fair value measurement and valuation processes

Some of The Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, The Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, The Group engages third party qualified valuers to perform the valuation. The Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

b) Useful life of Property, Plant and Equipments

The Group reviews the estimated useful lives of Property, Plant and Equipment at the end of each reporting period. During the current year, there has been no change in useful life considered for the assets.

c) Actuarial valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the State of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

d) Claims, Provisions and Contingent Liabilities

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on Management's assessment of specific circumstances of each dispute and relevant external advice, Management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 3 : Cash and cash equivalents**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	33.65	35.81
Balances with banks		
- In current accounts	6,677.85	6,888.96
- in deposit accounts with original maturity of less than 3 months	22,718.99	2,080.36
Cheques, drafts on hand	18.00	-
<b>Total</b>	<b>29,448.49</b>	<b>9,005.13</b>

**Note 4 : Bank balances other than Cash and cash equivalents**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
In earmarked accounts - unpaid dividend accounts	-	392.81
Term deposit with original maturity for more than 3 months but less than 12 months	191,604.96	2,519,834.41
<b>Total</b>	<b>191,604.96</b>	<b>2,520,227.22</b>

**Note 5 : Receivable**

**i) Trade Receivable**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Receivable considered good - secured	2,360.31	7,500.38
Receivable considered good - unsecured		
- from others	873.06	780.13
<b>Total</b>	<b>3,233.37</b>	<b>8,280.51</b>

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 to 3 years	3 years and more	
(i) Undisputed Trade receivables- considered good	873.06	-	-	-	2,360.31	3,233.37
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good						
(v) Disputed Trade Receivables - which have significant increase in credit risk						
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>873.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,360.31</b>	<b>3,233.37</b>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 5 : Receivable (Contd.)

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 to 3 years	3 years and more	
(i) Undisputed Trade receivables-considered good	3,530.60	-	-	-	3,969.78	7,500.38
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	186.76	593.37	-	780.13
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>3,530.60</b>	<b>-</b>	<b>186.76</b>	<b>593.37</b>	<b>3,969.78</b>	<b>8,280.51</b>

(ii) Other receivables

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Receivable considered good - secured	-	-
Receivable considered good - unsecured	-	-
from others		
Interest accrued but not due on bank deposit	5,602.15	5,931.55
Receivable which have significant increase in credit risk	3,715.33	2,296.29
Less: Impairment allowance	(2,746.29)	(2,296.29)
<b>Total</b>	<b>6,571.19</b>	<b>5,931.55</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 to 3 years	3 years and more	
(i) Undisputed Trade receivables-considered good	3,361.82	1,956.54	283.89	-	-	5,602.25
(ii) Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	969.04	969.04
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>3,361.82</b>	<b>1,956.54</b>	<b>283.89</b>	<b>-</b>	<b>969.04</b>	<b>6,571.29</b>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 5 : Receivable (Contd.)

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1 to 2 years	2 to 3 years	3 years and more	
(i) Undisputed Trade receivables- considered good	2,714.74	2,027.51	1,189.30	-	-	5,931.55
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables Credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>2,714.74</b>	<b>2,027.51</b>	<b>1,189.30</b>	<b>-</b>	<b>-</b>	<b>5,931.55</b>

Note 6 : Loans

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>A) At amortised cost</b>		
<u>Term loan</u>		
(i) Standard assets:		
to entity under significant influence	-	-
Less: expected credit loss	-	-
(ii) Sub-standard assets:		
to entity under significant influence	-	440,546.42
to associates	-	-
Less: expected credit loss	-	-
Less:- Provision for sub standard asset	-	(440,546.42)
(ii) Other loans:		
to entity under significant influence	5,000.00	5,000.00
to others	30,000.00	-
Less: expected credit loss	(5,000.00)	(5,000.00)
	<b>30,000.00</b>	-
<b>Total</b>	<b>30,000.00</b>	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 6 : Loans (Contd.)

Disclosures:

i) Details of loans and advances in the nature of loans to associates, firms/companies in which directors are interested:

(₹ in '000)

Name of the Company and relationship	As at March 31, 2023	As at March 31, 2022
<b>Entities under significant influence</b>		
IITL Nimbus The Express Park View	-	247,751.46
IITL Nimbus The Palm Village	-	35,000.00
IITL-Nimbus The Hyde Park	-	162,794.96
<b>Total</b>	<b>-</b>	<b>445,546.42</b>

ii) Details of expected credit loss in nature of loans to associates, firms/companies in which directors are interested:

(₹ in '000)

Name of the Company and relationship	As at March 31, 2023	As at March 31, 2022
<b>Entities under significant influence</b>		
IITL Nimbus The Palm Village	5,000.00	5,000.00
<b>Total</b>	<b>5,000.00</b>	<b>5,000.00</b>

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Movement in expected credit loss</b>		
Balance at the beginning of the period	5,000.00	8,700.00
Movement in expected Credit loss allowances during the year	-	(3,700.00)
Provision at the end of the year	5,000.00	5,000.00

iii) Provisions for non-performing assets

(₹ in '000)

Name of the Company and relationship	As at March 31, 2023	As at March 31, 2022
<b>Entities jointly controlled by Subsidiaries</b>		
IITL Nimbus The Express Park View	-	247,751.46
IITL Nimbus The Hyde Park	-	162,794.96
IITL Nimbus The Palm Village	-	30,000.00
<b>Total</b>	<b>-</b>	<b>440,546.42</b>

iv) Other Information

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Loans</b>		
<b>At Amortised Cost</b>		
<b>(A)</b>		
(i) Term loans	35,000.00	445,546.42
<b>Total (A) - Gross</b>	<b>35,000.00</b>	<b>445,546.42</b>
Less: Impairment loss allowance	(5,000.00)	(5,000.00)
Less:- Provision for Non-performing asset	-	(440,546.42)
<b>Total (A) - Net</b>	<b>30,000.00</b>	<b>(0.00)</b>
<b>(B)</b>		
(i) Secured	-	-
(ii) Unsecured	35,000.00	445,546.42
<b>Total (B) - Gross</b>	<b>35,000.00</b>	<b>445,546.42</b>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 6 : Loans (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
Less: Impairment loss allowance	(5,000.00)	(5,000.00)
Less:- Provision for Non-performing asset	-	(440,546.42)
<b>Total (B) - Net</b>	<b>30,000.00</b>	<b>(0.00)</b>
<b>(C)</b>		
<b>(I) Loans in India</b>		
<b>(i) Others</b>		
to subsidiary	-	-
to entity under significant influence	5,000.00	445,546.42
to associates	-	-
to others	30,000.00	-
<b>Total (C) - Gross</b>	<b>35,000.00</b>	<b>445,546.42</b>
Less: Impairment loss allowance	(5,000.00)	(5,000.00)
Less:- Provision for Non-performing asset	-	(440,546.42)
<b>Total (C) - Net</b>	<b>30,000.00</b>	<b>-</b>

Note 7 : Investments

(₹ in '000)

Particulars	Face Value	As at March 31, 2023		As at March 31, 2022	
		Holding Nos.	Amount (₹ in '000)	Holding Nos.	Amount (₹ in '000)
<b>(A) Investments in Government Securities</b>					
RBI- Treasury Bill			2,782,064.11		-
			<b>2,782,064.11</b>		-
<b>(B) Investment in Associates:</b>					
<b>Equity shares, unquoted*</b>					
World Resorts Limited	10	13,018,125	-	13,018,125	-
Golden Palm Facility Management Pvt Ltd	10	50,000	246.04	50,000	275.49
<b>Preference shares, Unquoted (at FVTPL)</b>					
World Resorts Limited (refer note 50(e))	10	11,875,000	423,400.00	11,875,000	468,090.18
<b>Total (A)</b>	<b>10</b>		<b>423,646.04</b>		<b>468,365.67</b>
<b>(C) Investment in joint ventures</b>					
<b>Preference shares, Unquoted</b>					
Capital Infraprojects Private Limited	10	12,500,000	5,403.35	12,500,000	5,403.35
Less: impairment allowance			(5,403.35)		(5,403.35)
<b>Partnership Firms</b>					
<u>IITL Nimbus the Hyde Park</u>					
Capital account			35,000.00		35,000.00
Less: impairment allowance			(35,000.00)		-
<u>IITL Nimbus the Express Park View</u>					
Capital account			30,237.50		30,237.50
Less: impairment allowance			(30,237.50)		(30,237.50)
<u>IITL Nimbus the Palm Village</u>					
Capital account			220,000.00		220,000.00
<b>Total (B)</b>			<b>220,000.00</b>		<b>255,000.00</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 7 : Investments (Contd.)**

Particulars	Face Value	As at March 31, 2023		As at March 31, 2022	
		Holding Nos.	Amount (₹ in '000)	Holding Nos.	Amount (₹ in '000)
<b>(D) Other Investments</b>					
<b>Equity Shares (FVTPL)</b>					
<b>Other listed equity</b>					
Apollo Tyre Ltd.	10	300	95.96	300	57.33
Hindustan Petroleum Corporation Ltd.	10	300	71.04	300	80.81
Kotak Bank Ltd.	5	78	135.21	78	136.87
The New India Assurance Company Ltd.	5	500	48.50	500	55.80
Reliance Industries Ltd.	10	175	407.94	175	460.94
Vikas Ecotech Ltd.	1	-	-	500	-
Dolat Investment Ltd.	10	37	1.56	-	3.12
Chennai Super King Cricket Limited##	10	5,695	-	5,695	-
Reliance Media Works Limited	5	10,000	-	10,000	-
Reliance Broadcast Network Limited	5	10,000	-	10,000	-
SQL Star International Limited #	10	547,677	-	547,677	-
<b>Total (C)</b>			<b>760.21</b>		<b>794.87</b>
<b>Total (A+B+C+D)</b>			<b>3,426,470.36</b>		<b>724,160.54</b>

\* Listed but unquoted as scrip has been suspended since the company is under liquidation.

## Fair value has not been obtained.

**Impairment loss allowance in the value of Investments till date in shares in respect of the above companies is as follows:-**

(₹ in '000)

Name of the Company	As at March 31, 2023	As at March 31, 2022
<b>Investment in joint ventures</b>		
Capital Infraprojects Private Limited - preference share	5,403.35	5,403.35
IITL Nimbus the Express Park View - Capital account	30,237.50	30,237.50
IITL Nimbus the Hyde Park - Capital account	35,000.00	-
<b>Total</b>	<b>70,640.85</b>	<b>35,640.85</b>

**Aggregate value of Investments**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments	2,782,824.32	794.87
Aggregate market value of quoted investments	2,782,824.32	794.87
Aggregate book value of unquoted investments	643,646.04	723,365.67
Aggregate book value of listed but unquoted investments	-	-
<b>Total</b>	<b>3,426,470.36</b>	<b>724,160.54</b>

**Disclosures**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) At Cost</b>		
<b>Equity Instruments</b>		
Associate	246.04	275.49
Joint Ventures	285,237.50	285,237.50
	<b>285,483.54</b>	<b>285,512.99</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 7 : Investments (Contd.)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(ii) At Amortised Cost</b>		
<b>Preference shares, Unquoted</b>		
Joint Ventures	5,403.35	5,403.35
	<b>5,403.35</b>	<b>5,403.35</b>
<b>(iii) At Fair Value through Other Comprehensive Income</b>	-	-
<b>(iv) At Fair Value through Profit or Loss</b>		
<b>Equity Instruments</b>		
Others	2,782,824.32	794.87
<b>Preference shares, Unquoted</b>		
Associate	423,400.00	428,026.20
<b>Total (A) - Gross</b>	<b>3,497,111.21</b>	<b>291,711.21</b>
Impairment loss allowance	70,640.85	35,640.85
<b>Total (B)</b>	<b>70,640.85</b>	<b>35,640.85</b>
<b>Total (C) = (A) - (B)</b>	<b>3,426,470.36</b>	<b>256,070.36</b>
(i) Investments outside India	-	-
(ii) Investments in India	3,426,470.36	724,160.54
<b>Total</b>	<b>3,426,470.36</b>	<b>724,160.54</b>

**Details of investments Joint Venture / Associate (at cost)**

**World Resort Limited**

WRL was incorporated on 27.04.1995 under the provision of the Companies Act, 1956. The Company had acquired 25% equity shares in the year 2012 . however as on balance sheet date, the Company hold 24.62% equity shares of WRL. WRL is in the business of Hospitality Sector. It is an Associate Company of IITL.

**Golden Palm Facility Management Pvt Ltd**

The company was incorporated under the provision of the Companies Act ,2013. The company is mainly engaged in the business of providing the maintenance facility services and other related services at the various projects situated at Delhi and NCR.

**Capital Infraprojects Private Limited**

The Company was incorporated under the Companies Act, 1956. The company is into the business of developing real estate properties for residential and retail purposes.

**IITL-Nimbus The Hyde Park**

IITL-Nimbus The Hyde Park' is a partnership firm. One of the partner is subsidiary of the Company i.e. IITL Projects Limited with 50% share of profit or loss as on balance sheet date. The firm came into existence with the specific objective of making a bid under the scheme of allotment of Group Housing Plots for plotted and flatted development scheme Noida, Uttar Pradesh for a lease period of 90 years.

**IITL-Nimbus The Express Park View**

IITL-Nimbus The Express Park' is a partnership firm. The one of the partner is subsidiary of the Company i.e. IITL Projects Limited with 12.08% share of profit or loss as on balance sheet date. The firm came into existence with the specific objective of making a bid under the scheme of allotment of Group Housing Plots for plotted and flatted development scheme Noida, Uttar Pradesh for a lease period of 90 years.

**IITL-Nimbus The Palm Village**

IITL-Nimbus The Palm Village' is a partnership firm. The one of the partner is subsidiary of the Company i.e. IITL Projects Limited with 49.44% share of profit or loss as on balance sheet date. The firm came into existence with the specific objective of making a bid under the scheme of allotment of Group Housing Plots for plotted and flatted development scheme Noida, Uttar Pradesh for a lease period of 90 years.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 8 : Other financial assets**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	7,199.73	4,571.51
Other receivable	0.03	297.23
Other advances	8.34	8.34
<b>Total</b>	<b>7,208.10</b>	<b>4,877.08</b>

**Note 9 : Inventories**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Completed projects	24,834.73	34,042.64
<b>Total</b>	<b>24,834.73</b>	<b>34,042.64</b>

**Note 10 : Current tax assets (net)**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance payment of income tax (net)	15,510.67	22,872.22
<b>Total</b>	<b>15,510.67</b>	<b>22,872.22</b>

**Note 11 : Deferred tax assets**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<u>Deferred tax liability on account of :</u>		
- Depreciation and amortization due to timing difference	5.88	(65.88)
- Disallowance under sec 43B of Income Tax Act, 1961	(481.98)	(358.38)
<b>Total Deferred tax liability</b>	<b>(476.10)</b>	<b>(424.26)</b>
<u>Deferred tax assets on account of :</u>		
- Depreciation and amortization due to timing difference	355.21	389.83
- Disallowance under sec 43B of Income Tax Act, 1961	461.65	439.72
- Contingent Provision for against Sub-Standard Asset	-	56,666.46
<b>Total Deferred tax assets</b>	<b>816.86</b>	<b>57,496.01</b>
MAT Credit	-	4,386.26
<b>Deferred tax assets (net)</b>	<b>340.76</b>	<b>61,458.01</b>

**Movement in deferred tax balances**

(₹ in '000)

Particulars	As at March 31, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2023
<u>Deferred tax liability on account of :</u>				
- Depreciation and amortization due to timing difference	(65.88)	71.76	-	5.88
- Disallowance under sec 43B of Income Tax Act, 1961	(358.38)	(123.60)	-	(481.98)
- timing difference of lease rent	-	-	-	-
<b>Total Deferred tax liability</b>	<b>(424.26)</b>	<b>(51.84)</b>	<b>-</b>	<b>(476.10)</b>



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Particulars	As at March 31, 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at March 31, 2023
<b>Deferred tax assets on account of :</b>				
- Depreciation and amortization due to timing difference	389.83	(34.62)	-	355.21
- Disallowance under sec 43B of Income Tax Act, 1961	439.72	(81.96)	103.89	461.65
-Contingent Provision for against Standard Asset	-	-	-	-
-Contingent Provision for against Sub-Standard Asset	56,666.46	(56,666.46)	-	-
<b>Total Deferred tax assets</b>	<b>57,496.01</b>	<b>(56,783.04)</b>	<b>103.89</b>	<b>816.86</b>
MAT Credit untitled	4,386.26	176.34	-	-
<b>Deferred tax assets (net)</b>	<b>61,458.01</b>	<b>(56,658.54)</b>	<b>103.89</b>	<b>340.76</b>

Note 12 : Property, plant and equipment

(₹ in '000)

Particulars	Buildings	Furniture and fixtures	Computers	Office Equipment	Vehicles	Total	Right to Use Assets	Gross Total
<b>Gross carrying amount</b>								
As at April 1, 2022	56,755.87	629.26	2,331.22	608.03	4,293.30	64,617.68	16,021.05	80,638.73
Additions/reclassification	-	70.34	123.09	285.08	-	478.51	1,049.63	1,528.14
Deductions and adjustments	-	317.80	173.10	6.80	-	497.70	-	497.70
Impairment	-	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>56,755.87</b>	<b>381.80</b>	<b>2,281.21</b>	<b>886.31</b>	<b>4,293.30</b>	<b>64,598.49</b>	<b>17,070.68</b>	<b>81,669.17</b>
<b>Accumulated depreciation and impairment</b>								
As at April 1, 2022	12,936.46	500.57	2,067.46	533.01	3,807.01	19,844.51	5,421.75	25,266.26
Transfer from retained earning on reclassification	-	-	-	-	-	-	-	-
Depreciation charged during the year	1,614.82	47.42	235.72	159.08	151.86	2,208.90	7,481.80	9,690.70
Impairment loss	-	-	-	-	-	-	-	-
Disposals/adjustments	0.01	301.91	205.59	6.46	-	513.97	(3,204.98)	(2,691.01)
<b>As at March 31, 2023</b>	<b>14,551.27</b>	<b>246.08</b>	<b>2,097.59</b>	<b>685.63</b>	<b>3,958.87</b>	<b>21,539.44</b>	<b>16,108.53</b>	<b>37,647.97</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>42,204.60</b>	<b>135.72</b>	<b>183.62</b>	<b>200.68</b>	<b>334.43</b>	<b>43,059.05</b>	<b>962.15</b>	<b>44,021.20</b>
<b>Gross carrying amount</b>								
As at April 1, 2021	56,755.87	562.79	1,965.87	608.03	4,332.61	64,225.17	16,021.05	80,246.22
Additions	-	66.47	410.93	-	0.00	477.40	-	477.40
Deductions and adjustments	-	-	45.58	-	39.31	84.89	-	84.89
Impairment	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>56,755.87</b>	<b>629.26</b>	<b>2,331.22</b>	<b>608.03</b>	<b>4,293.30</b>	<b>64,617.68</b>	<b>16,021.05</b>	<b>80,638.73</b>
<b>Accumulated depreciation and impairment</b>								
As at April 1, 2021	11,316.30	461.15	1,750.23	477.31	3,623.53	17,628.52	1,232.39	18,860.91
Transfer from retained earning on reclassification	-	-	-	-	-	-	-	-
Depreciation charged during the year	1,620.15	39.42	358.29	55.70	220.83	2,294.39	7,394.33	9,688.72
Impairment loss	-	-	-	-	-	-	-	-
Disposals/adjustments	(0.00)	-	41.06	-	37.35	78.41	3,204.97	3,283.38
<b>As at March 31, 2022</b>	<b>12,936.45</b>	<b>500.57</b>	<b>2,067.46</b>	<b>533.01</b>	<b>3,807.01</b>	<b>19,844.50</b>	<b>5,421.75</b>	<b>25,266.25</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>43,819.42</b>	<b>128.69</b>	<b>263.76</b>	<b>75.02</b>	<b>486.29</b>	<b>44,773.18</b>	<b>10,599.30</b>	<b>55,372.48</b>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Note 13 : Other Intangible assets

(₹ in '000)

Particulars	Computer Software	Total
<b>Gross carrying amount</b>		
As at April 1, 2022	620.92	620.92
Additions/reclassification	-	-
Deductions and adjustments	-	-
Impairment	-	-
<b>As at March 31, 2023</b>	<b>620.92</b>	<b>620.92</b>
<b>Accumulated depreciation and impairment</b>		
As at April 1, 2022	568.20	568.20
Depreciation charged during the year	24.41	24.41
Impairment	-	-
Disposals/adjustments	-	-
<b>As at March 31, 2023</b>	<b>592.61</b>	<b>592.61</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>28.31</b>	<b>28.31</b>
As at April 1, 2021	518.26	518.26
Additions	102.66	102.66
Deductions and adjustments	-	-
Impairment	-	-
<b>As at March 31, 2022</b>	<b>620.92</b>	<b>620.92</b>
<b>Accumulated amortisation and impairment</b>		
As at April 1, 2021	501.95	501.95
Depreciation charged during the year	66.25	66.25
Impairment	-	-
Disposals/adjustments	-	-
<b>As at March 31, 2022</b>	<b>568.20</b>	<b>568.20</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>52.72</b>	<b>52.72</b>

Note 14 : Other non-financial assets

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid/advance for expenses	2,600.69	1,569.87
Gratuity fund balance	1,869.65	1,474.12
Deposit placed against disputed property tax	38,190.79	36,453.38
Balance with government authorities	9,978.23	7,938.13
Others	37.29	377.63
<b>Total</b>	<b>52,676.65</b>	<b>47,813.13</b>

Note 15 : Payables

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Trade payable		
total outstanding dues of micro enterprises and small enterprises	391.99	307.25
total outstanding dues of other than micro enterprises and small enterprises	4,252.22	29,392.38
	<b>4,644.21</b>	<b>29,699.63</b>
(ii) Other payables		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of other than micro enterprises and small enterprises	-	-
<b>Total</b>	<b>4,644.21</b>	<b>29,699.63</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 15 : Payables (Contd.)**

Disclosures requirement under section 22 of the Micro, Small & Medium Enterprises Development Act, 2006

(₹ in '000)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year	391.99	307.25
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

**As at 31.03.2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Years	1-2 Years	2-3 years	3 years and more	
(i) MSME	391.99	-	-	-	391.99
(ii) Others	2,044.07	53.95	-	2,154.20	4,252.22
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>2,436.06</b>	<b>53.95</b>	<b>-</b>	<b>2,154.20</b>	<b>4,644.21</b>

**As at 31.03.2022**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Years	1-2 Years	2-3 years	3 years and more	
(i) MSME	307.25	-	-	-	307.25
(ii) Others	26,398.91	665.10	8.29	2,320.08	29,392.38
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>26,706.16</b>	<b>665.10</b>	<b>8.29</b>	<b>2,320.08</b>	<b>29,699.63</b>

**Note 16 : Other financial liabilities**

(₹ in '000)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Unclaimed dividends*	-	392.81
Interest free security	916.26	916.26
Debit balance of current account of partnership firms	223,767.19	281,807.35
Lease rental liabilities	995.02	11,237.88
Salary payable	28.05	781.78
<b>Total</b>	<b>225,706.52</b>	<b>295,136.08</b>

\* Investor Education and Protection Fund is being credited as and when due.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 17 : Provisions**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Compensated absences	1,658.13	1,734.57
Provision - Others:		
- Provision for contingency	5,000.00	5,000.00
<b>Total</b>	<b>6,658.13</b>	<b>6,734.57</b>

**Movement in provisions against standard assets**

Balance at the beginning of the year	-	40.00
Movement in provisions against standard assets during the year	-	(40.00)
Provision at the end of the year	-	-

**Note 18 : Deferred tax liabilities (net)**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liability on account of :		
- Disallowance under sec 43B of Income Tax Act, 1961	56.32	24.89
<b>Total</b>	<b>56.32</b>	<b>24.89</b>

**Note 19 : Other non-financial liabilities**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance received from/refundable to customer	6,876.07	910.00
Advance received from others	12.03	12.03
Payable to residential welfare association	18.72	-
Other payables:		
- Statutory remittances (Contributions to PF, Service Tax, GST etc.)	1,071.64	3,276.87
- Others	3,000.00	14,596.63
<b>Total</b>	<b>10,978.46</b>	<b>18,795.53</b>

**Note 20 : Equity Share Capital**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Authorized Share Capital		
30,000,000 Equity shares of ₹ 10/- each	300,000.00	300,000.00
5,000,000 Preference shares of ₹ 10/- each	50,000.00	50,000.00
(ii) Issued, Subscribed & Fully Paid Up Share Capital		
22,547,550 Equity shares of ₹ 10/- each*	225,475.50	225,475.50

\* Included 6,277,550 (previous year 6,277,550 equity shares represented by 3,138,775 (previous year 3,138,775) Global Depository Shares (GDR)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**
**Note 20 : Equity Share Capital (Contd.)**
**Disclosures:**
**a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount (₹ in '000)	No. of Shares	Amount (₹ in '000)
<b>Opening Balance</b>	22,547,550	225,475.50	22,547,550	225,475.50
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
<b>Closing Balance</b>	<b>22,547,550</b>	<b>225,475.50</b>	<b>22,547,550</b>	<b>225,475.50</b>

The Company had issued 4,888,775 Global Depository Shares ('GDSs') representing 9,777,550 equity shares of the Company of nominal value ₹ 10 each, aggregating to US\$ 59.89 millions equivalent to ₹ 3,377,606,725 (including shares premium of ₹ 3,279,831,225). The GDSs are listed on Luxembourg Stock Exchange. 1,750,000 GDRs had converted into 35,00,000 equity shares, during the year ended March 31, 2020 20,00,000 equity share and during the year ended March 31, 2021 15,00,000 equity share respectively, remaining 3,138,775 GDRs are yet to be converted into equity shares. Amount of Investment represents to total GDRs including converted.

**b) Rights, preferences and restrictions attached to equity shares**

Equity shares of the Company are issued at a par value of ₹ 10 per share.

- (i) Equity Shares represented by GDS - Holders of the GDSs will have no voting rights with respect to the underlying equity shares. The Depository will not exercise any voting rights with respect to the deposited shares. Other rights, preferences and restrictions are same as other equity shares.
- (ii) Other Equity Shares - Each holder of other equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

**c) Equity Shares held by each shareholder holding more than 5% equity shares in the Company are as follows:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	7,087,960	31.44	7,087,960	31.44
Nimbus India Limited	2,294,107	10.17	2,294,107	10.17
Systematix Shares And Stocks (India) Limited	2,112,711	9.37	2,112,711	9.37
Life Insurance Corporation of India	557,054	2.47	1,142,455	5.07
The Bank of New York Mellon (Depository for GDS holders) *	6,277,550	27.84	6,277,550	27.84

\* The Company does not have details of individual holders.

- d) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
N. N. Financial Services Private Limited	7,087,960	31.44	7,087,960	31.44
Nimbus India Limited	2,294,107	10.17	2,294,107	10.17
Bipin Agarwal	25,000	0.11	25,000	0.11
Swarn Mohinder Singh	25,000	0.11	25,000	0.11

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**
**Note 20 : Equity Share Capital (Contd.)**
**Disclosures required as per Division III of Schedule III**
**Objectives, policies and processes for managing capital.**

For the purpose of the Company's capital management, capital includes paid-up equity securities capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders' value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants.

**Note 21 : Other equity**

(₹ in '000)

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Other comprehensive income	Retained earnings	Total
<b>Balance as at April 1, 2022 (A)</b>	0.75	4,466,487.47	192,267.51	322,407.00	2,399.75	(1,917,520.60)	3,066,041.88
Change in accounting policy or prior errors							-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
<b>Addition during the year</b>	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	448,865.99	448,865.99
Item of OCI for the year (net of taxes)	-	-	-	-	-	-	-
Remeasurement of the net defined benefit plan	-	-	-	-	287.87	-	287.87
<b>Total Comprehensive Income for the year 2022-23(B)</b>	-	-	-	-	<b>287.87</b>	<b>448,865.99</b>	<b>449,153.86</b>
<b>Reduction during the year</b>							
Transfer to special reserve	-	-	-	85,986.34	-	(85,986.34)	-
<b>Total (C)</b>	-	-	-	<b>85,986.34</b>	-	<b>(85,986.34)</b>	-
<b>Balance as at March 31, 2023 (A+B-C)</b>	<b>0.75</b>	<b>4,466,487.47</b>	<b>192,267.51</b>	<b>408,393.34</b>	<b>2,687.62</b>	<b>(1,554,640.95)</b>	<b>3,515,195.74</b>

Particulars	Capital Reserve	Securities Premium	General Reserve	Special Reserve	Other comprehensive income	Retained earnings	Total
<b>Balance as at April 1, 2021 (A)</b>	0.75	4,466,487.47	192,267.51	322,407.00	1,170.67	(2,241,295.85)	2,741,037.55
Change in accounting policy or prior errors							-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-	-
<b>Addition during the year</b>	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-	323,775.25	323,775.25
Item of OCI for the year (net of taxes)	-	-	-	-	-	-	-
Remeasurement of the net defined benefit plan	-	-	-	-	1,229.08	-	1,229.08
<b>Total Comprehensive Income for the year 2021-22(B)</b>	-	-	-	-	<b>1,229.08</b>	<b>323,775.25</b>	<b>325,004.33</b>
<b>Reduction during the year</b>							
Transfer to special reserve	-	-	-	-	-	-	-
<b>Total (C)</b>	-	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset (net of tax effect)	-	-	-	-	-	-	-
<b>Balance as at March 31, 2022 (A+B-C)</b>	<b>0.75</b>	<b>4,466,487.47</b>	<b>192,267.51</b>	<b>322,407.00</b>	<b>2,399.75</b>	<b>(1,917,520.60)</b>	<b>3,066,041.88</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Nature and purpose of each reserve**

**Securities Premium**

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

**General Reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the statement of profit and loss.

**Special Reserve (as per the RBI regulations)**

This Reserve is created as per Sec 45IC of Reserve bank of India Act 1934. This Reserve is utilised only as per manner mentioned in RBI Act 1934.

**Retained earnings**

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, Special Reserve etc. opening Impact of Ind AS is adjusted in Retained Earnings.

**Note 22 : Non-Controlling Interest**

(₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	(147,814.86)	(178,007.89)
Profit/(loss) for the year	(8,959.06)	30,187.11
Other Comprehensive Income for the year	7.83	5.92
<b>Total</b>	<b>(156,766.09)</b>	<b>(147,814.86)</b>

Note : Non-Controlling Interest is restricted to their share wherever liabilities exceeds shares.

**Note 23 : Interest income**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	10,742.25	18,467.25
Interest income from investments	45,912.70	-
Interest on deposits with banks	91,855.47	14,633.83
Other interest income		
Interest on deposits placed	1,737.42	1,747.35
Interest on security deposits	605.70	519.40
(c) On financial assets classified at fair value through profit or loss	-	-
<b>Total</b>	<b>150,853.54</b>	<b>35,367.83</b>

**Note 24 : Dividend income**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
- On shares	6.82	9.18
<b>Total</b>	<b>6.82</b>	<b>9.18</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 25 : Fees and commission income**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On Insurance services	-	35.93
<b>Total</b>	<b>-</b>	<b>35.93</b>

**Note 26 : Sale of products**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Residential flat	14,287.39	12,268.30
<b>Total</b>	<b>14,287.39</b>	<b>12,268.30</b>

**Note 27 : Net gain on fair value changes**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net gain on financial instruments at fair value through profit or loss	5,903.39	37,533.05
<b>Total</b>	<b>5,903.39</b>	<b>37,533.05</b>

**Note 28 : Other income from operations (net)**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from stock market operations (net)	(34.67)	90.25
<b>Total</b>	<b>(34.67)</b>	<b>90.25</b>

**Note 29 : Other income**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit on sale of property, plant and equipment	0.24	540.20
Miscellaneous income	5,839.12	3,422.76
Interest income from Income tax refund	628.67	1,364.64
<b>Total</b>	<b>6,468.03</b>	<b>4,787.98</b>

**Note 30 : Finance costs**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on late payment	138.57	3.52
Interest cost on Leased liabilities	1,251.89	2,332.86
<b>Total</b>	<b>1,390.46</b>	<b>2,336.38</b>

**Note 31 : Net loss on fair value changes**

Particular	Year ended March 31, 2023	Year ended March 31, 2022
On financial assets	50,011.88	-
<b>Total</b>	<b>50,011.88</b>	<b>-</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 31(a) : Impairment on financial instruments**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<u>On financial instruments measured at fair value through OCI</u>		
Loans	-	-
Investments	-	-
Others	-	-
<u>On financial instruments measured at amortised cost</u>		
Loans	(440,546.42)	(18,540.00)
Investments	35,000.00	-
Others		
Interest accrued and due on loan	450.00	450.00
Trade receivable	-	-
<b>Total</b>	<b>(405,096.42)</b>	<b>(18,090.00)</b>

**Note 32 : Cost of sale**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Completed projects</b>		
Opening stock of units	34,042.64	43,250.56
Add: Cancellation of units during the year	-	-
Closing stock of units	(24,834.73)	(34,042.64)
<b>Total</b>	<b>9,207.91</b>	<b>9,207.92</b>

**Note 33 : Employee Benefit Expenses**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and bonus	15,355.60	14,664.85
Contribution to provident and other funds	1,202.92	1,225.52
Staff welfare expenses	367.31	245.91
<b>Total</b>	<b>16,925.83</b>	<b>16,136.28</b>

**Note 34 : Depreciation, amortization and impairment**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation & amortisation		
on property, plant and equipment	2,208.91	2,294.39
Computer Software		
on intangible assets	24.41	66.25
on Right to Use assets	7,481.80	7,394.33
<b>Total</b>	<b>9,715.12</b>	<b>9,754.97</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 35 : Other expenses**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent, taxes and energy costs	2,352.15	2,024.16
Repair and maintenance	2,373.77	2,051.32
Communication costs	331.31	399.66
Printing & Stationery	345.04	324.01
Advertisement and publicity	398.19	211.84
Director's sitting fees, allowances and expenses	4,724.80	3,765.75
Auditor's fees and expenses	3,035.00	3,985.98
Legal and professional charges	9,455.76	10,028.36
Insurance	539.13	459.42
Other expenditure		
Travelling and conveyance	2,482.92	1,553.86
Membership fees	2,029.89	1,854.30
Expenditure on Corporate Social Responsibility	286.54	-
W/off of property, plant and equipment	-	1.60
Loss on sale of fixed assets	-	2.75
Miscellaneous expenditure	2,992.60	647.23
<b>Total</b>	<b>31,347.10</b>	<b>27,310.24</b>

**Details of Auditor's fees and expenses**

- Auditor	1,105.00	2,030.00
- for limited review fees	975.00	1,125.00
- for other services	930.00	805.00
- for reimbursement of expenses	25.00	25.00
<b>Total</b>	<b>3,035.00</b>	<b>3,985.00</b>

**Note 36 : Exceptional items**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Exceptional items	-	716,505.58
<b>Total</b>	<b>-</b>	<b>716,505.58</b>

**Note 37 : Tax expenses**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Current tax</b>		
- Current tax	24,988.31	-
- Earlier year	(142.14)	-
- MAT credit	-	-
	24,846.17	-
<b>Deferred tax</b>		
- through Profit and Loss Statement	56,658.54	1,718.04
- through Other Comprehensive Income	103.90	433.92
	56,762.44	2,151.96
<b>Total</b>	<b>81,608.61</b>	<b>2,151.96</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 37 : Tax expenses (contd.)**

**i) The reconciliation of estimated income tax to income tax expense is as follow:**

Profit before Income Tax	521,993.34	356,314.93
Enacted tax rates in India (%)	27.82%	26.00%
Computed expected tax expenses	145,025.16	92,641.88
<u>Adjustments:</u>		
Adjustment for exempted income	(15,083.00)	11,842.13
Adjustment for disallowed under Income Tax Act	12,811.74	(36,345.79)
Adjustment for allowable under Income Tax Act	(113,925.87)	(337.21)
Others	47.00	(692,487.03)
taxation loss for the year	(3,886.73)	(4,291.50)
	(120,036.86)	(721,619.40)
Income tax (net)	24,988.31	(628,977.51)
Earlier years	(142.14)	-
<b>Net Current tax</b>	<b>24,846.17</b>	<b>(628,977.51)</b>

**ii) Tax losses**

Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	203,376.58	202,315.07
Potential tax benefit @27.82%	56,579.37	52,601.92

**Note 38 : Contingent liabilities and commitments**

(₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>(I) Contingent liabilities</b>		
<b>(a) Claims against the Group not acknowledge as debt</b>		
- Disputed income-tax matters (refer footnote 1)	28,603.12	28,603.12
- Claims filed with District Consumer Dispute Redressal forum (refer footnote 2)	594.51	594.51
- Disputed property tax levied by Mumbai Municipal Corporation (MMC) based on enhanced rateable value for the period April 1 2007 to March 31, 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point net of provision (refer footnote 3)	23,057.99	23,057.99

**Notes:**

(1) Income tax matter :

- a) The Group had received two demands pertaining to AY 2012-13. The Group has filed an application for rectification and deposited sum of ₹ 20,00,000/- against demand of ₹ 76,99,060/-. Further the group has filed an appeal against both demands.
- b) During the year the Financial Year 2020-21, the Group had received CPC demand order pertaining to Assessment year 2019-20 amounting to ₹19,73,000/- the Group has filed an appeal to CIT against the demand.
- c) The Group had received income tax demand pertaining to Assessment Year 2020-21 amounting to ₹ 27,29,750/-. The Group has filed application of rectification on dated January 29, 2022.

(2) Claims made by Insurance policy holders against the Insurance company. the Group was made a party as the policies were procured through the Group. the Group has no financial liability.

(3) Details of contingent liabilities as under :

The amount of ₹ 23,057,661 disclosed as Contingent Liability is towards the disputed property tax levied by MMC based on enhanced rateable value for the period 1<sup>st</sup> April 2007 to 31<sup>st</sup> March 2010 in respect of the Company's Investment Property in Atlanta Building, Nariman Point, Mumbai.

During the financial year 2015-16, 2017-18 and 2019-20, the Company sold eight units of the said property. Upon sale of said units the Company was required to deposit ₹ 28,057,991 with Atlanta Premises Co-operative Society Limited (the society) towards part of the disputed property tax related to units sold. The said amount has been placed by the society in Fixed Deposits with Bank.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

The disputed property tax issue is still subjudice and the order is awaited from the Mumbai High court. Pending the outcome of the matter, out of abundant caution, the Company has made a provision of ₹ 5,000,000 in respect of the units sold.

However, the total amount of ₹ 24,869,855 is expected to be recoverable from the ex-Licensee as per the Leave and License Agreements entered by the Company with them from time to time. The ex-Licensee has filed for voluntary winding up and appointed the liquidator. The Company has filed the said claim with the liquidator.

Due to COVID-19, the appeal did not come up for hearing in the High Court for a period of two years. Once the lock downs were lifted, the matter came up for hearing in the High Court. However, the Liquidator suggested that instead of pursuing the matter by way of appeal it would be prudent to enter into Consent Terms for recovery of the said amount. The Consent Terms was filed in the High Court of Judicature at Bombay and the Order was passed in the said matter on August 29, 2022.

Pursuant to the said Order, the Liquidator deposited the amount of ₹ 2,80,57,991/- vide 3 Pay Orders of ₹ 99,00,000/-, ₹ 99,00,000/- and ₹ 82,57,991/- with Prothonotary and Senior Master, High Court, Bombay.

The final outcome will be decided once the Bombay High court passes the final order.

### (ii) Commitments

Non-cancellable contractual commitments - refer note 41

### Note 39 : Earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Basic earnings per share		
Profit/(loss) attributable to the equity holders of the Company (₹ in 000)	449,447.69	324,409.41
Total basic earnings per share attributable to the equity holders of the Company (₹)	19.93	14.39
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator (nos.)	22,547,550	22,547,550

### Note 40 :

During the quarter ended March 31, 2023 the company has rectified the presentation and disclosure relating to the notional interest and impairment in fair value of investments in preference shares in Associates, in accordance with Ind AS 8, read with Ind AS 27. However this does not have any impact on the profits/ losses determined in the previous periods, networth and the carrying amount of the investments.

### Note 41 : Disclosure in accordance with Ind AS 116

#### (A) Transition to Ind AS 116

- (a) Effective 1 April 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on 1 April 2019, using the modified retrospective method. Accordingly, the comparatives as at and for the year ended 31 March 2019 have not been restated. On the date of initial application, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and a corresponding right-of-use asset adjusted for the amount of prepaid or accrued payments on the lease.
- (b) The Company has applied the following practical expedients on initial application of Ind AS 116:
  - (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
  - (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
  - (iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.
  - (iv) Elected to use the practical expedient not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
  - (v) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- (c) On transition to Ind AS 116, the Company has recognised lease liabilities and equivalent amount of right-of-use assets amounting to ₹85.13 lakhs.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 41 : Disclosure in accordance with Ind AS 116 (Contd.)**

(d) On transition to Ind AS 116, the weighted average incremental discounting rate applied to lease liabilities recognised under Ind AS 116 is 15% .

The company's lease asset classes primarily consist of leases for buildings taken on lease for operating its head office and providing accommodation to KMPs. The company assesses whether a contract contains a lease, at inception of a contract. At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

(e) The lease liabilities as at 1 April 2022 can be reconciled to the operating lease commitments as of 31 March 2023, as follows:

Particulars	Amount('000)
Operating lease commitments as at 31 March 2022 (future minimum lease payments in respect of non-cancellable leases)	8,781.60
Less: Effect of discounting on above	6,828.84
Discounted recognised lease liabilities as at March 31, 2023	1,952.76
Discounted recognised lease liabilities as at March 31, 2023 (Pertaining to cancellable leases commitments as on March 31, 2022)	-
<b>Total lease liabilities recognised as at March 31, 2023</b>	<b>1,952.76</b>

**(B) Company as Lessee**

The Company has taken an office premise and residential premises on operating lease. The followings are details of lease as a lessee;

Particulars of lease assets (building)	Lease period
Office No.101A, 'The Capital', G Block, Plot No.C-70, BKC, Bandra East, Mumbai - 400051	01.02.2021 to 30.03.2023
Flat No.1607, 'Jonquille Building', Chandvali Farm Road, Chandivali Mumbai - 400072	15.02.2023 to 14.02.2025

Right-of-use assets (building)	Amount (₹ '000)
As at 01.04.2022	10,599.30
Addition during the year	1,049.63
Depreciation	(7,481.80)
Deductions and adjustments	(3,204.98)
Expenses incurred	-
<b>As at 31.03.2023</b>	<b>962.15</b>

Lease liability	Amount (₹ '000)
As at 01.04.2022	11,237.88
Addition during the year	1,049.63
Depreciation	-
Deletion/adjustment during the year	(1,945.08)
Interest cost	1,251.89
gains or losses arising from sale and leaseback transactions;	-
total cash outflow for leases;	(10,599.30)
<b>As at 31.03.2023</b>	<b>995.02</b>

Other information	Amount (₹ '000)
the expense relating to variable lease payments not included in the measurement of lease liabilities;	-
income from subleasing right-of-use assets;	3,148.00

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Note 42 :

The Company had entered into Share Purchase Agreement with Pantaloon Retail India Limited (now known as Future Retail Limited) to acquire 22.5% of its equity stake in Future Generali India Life Insurance Company Ltd (FGILICL). Pursuant to approval received from CCI, RBI & IRDA the transaction was consummated on 17th December 2013 for a total consideration of ₹ 3,400,000 ('000). FGILICL became a joint venture of the Company.

Between August 2016 to March 2021, FGILICL made ten Rights Issues at a face value of ₹10 per share. The Company did not subscribe in any of the Rights Issues. With the increase in paid up capital on account of the Rights issue, the Company's equity stake in FGILICL has reduced to 16.62%.

On December 06, 2021 the Board of Directors of the Company have accepted the offer made by Generali Participations Netherlands N.V. one of the Joint Venture Partner of FGILICL, for acquiring the company's equity stake of 32,67,00,000 equity shares of ₹10 each representing 16.62% of the equity share capital of FGILICL.

Further, upon receiving approvals from Insurance Regulatory and Development Authority of India, Competition Commission of India and other respective authorities, the Company has sold the equity investment of FGILICL at ₹2,250,000 ('000) and whole transaction has been consummated on March 28, 2022 and has recognised profit of ₹716,505.58 ('000) and considered the same as exceptional item.

### Note 43 : One Time settlement of loan/ Repayment of loan

**A) IITL-Nimbus The Hyde park Noida**, Joint venture vide their letter dt. 18.06.2022 to Industrial Investment Trust Limited (IITL), proposed to settle the unsecured loan of ₹ 1,627.95 lakhs in following manner.

- i) The Firm will repay the outstanding loan on or before December 31, 2022.
- ii) To waive the total outstanding interest amount of ₹ 263.71 lakhs as on June 30, 2022 and all future interest amount thereafter up to December 31, 2022.
- iii) The Firm reiterates their commitment to remit the outstanding loan amount.
- iv) In the unlikely scenario of the amount not being remitted by December 31, 2022, the Firm will without any further request or extension, transfer the flats of equivalent of outstanding loan amount, with completion certificates obtained and facilitate registration of the same. In such eventuality, no maintenance charges will be levied on the flats until the time they are sold or for a period of 12 months ending December 31,2023 whichever is earlier.

IITL in its Annual General Meeting held on September 24, 2022, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 1,627.94 lakhs granted by the Company to IITL Nimbus The Hyde Park and waive interest outstanding thereon amounting to ₹ 263.71 lakhs as on June 30, 2022 and all future interest amount thereafter up to December 31, 2022. The Firm has repaid the outstanding loan of ₹ 1,627.94 lakhs on 21.10.2022. Consequently impairment provision of ₹ 1,627.95 lakhs is reversed.

**B) IITL Nimbus The Express Park View**, Joint Venture vide their letter dated 18.06.2022 to Industrial Investment Trust Limited (IITL), proposed to settle the unsecured loan of ₹ 2,477.51 lakhs in following manner:

- i) The Firm will repay the outstanding loan on or before December 31, 2022.
- ii) In the unlikely scenario of the amount not being remitted by December 31,2022, the Firm will transfer the flats of equivalent value outstanding loan amount.
- iii) Waiver of interest ₹ 943.57 lakhs for the period October 01, 2017 to September 30, 2021.
- iv) No interest shall be charged for the period starting immediately after the expiry of Restructuring agreement i.e w.e.f. October 01, 2021 to up to December 31, 2022.

IITL in its Annual General Meeting held on September 24, 2022, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 2,477.51 lakhs granted by the Company to IITL Nimbus The Express Park View and waive interest outstanding there. The Firm has repaid the outstanding loan of ₹ 2,477.51 lakhs on 29.11.2022 and 30.12.2022 respectively. Consequently impairment provision of ₹ 2,477.51 lakhs is reversed.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Note 43 : One Time settlement of loan/ Repayment of loan (Contd.)

**C) IITL-Nimbus The Palm Village**, Joint venture vide their letter dated 01.07.2022 to Industrial Investment Trust Limited (IITL), proposed for an One Time Settlement (OTS) for ₹ 300.00 lakhs in following manner:

- i) 25% of the outstanding loan amount to be paid upfront by IITL Nimbus the Palm Village
- ii) Pursuant to the approval of the shareholders, the Company will enter in to One Time Settlement with IITL Nimbus the Palm Village on the following terms:
  - a) The firm will repay the balance outstanding loan amount on or before March 31, 2023.
  - b) The entire amount of accrued interest outstanding up to September 30, 2022 amounting to Rs. 242.14 lakhs to be waived off.
  - c) The amount of interest payable from 01.10.2022 to 31.03.2023 also waived off.
  - d) The firm has reiterated their commitment to remit the outstanding principal amount.

The shareholders of IITL through Postal ballot on January 10, 2023, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 300.00 lakhs granted by the Company and waive Interest outstanding thereon and all future interest amounts thereafter up to March 2023. The firm has repaid ₹ 300.00 lakhs. Consequently impairment provision of ₹ 300.00 lakhs is reversed

### Note 44 : Related party disclosures

#### (i) Names of related parties:

(a) Names of related parties and nature of relationship:

Joint venture:	Future Generali India Life Insurance Company Limited (upto March 28, 2022) IITL Nimbus The Express Park View - a partnership firm IITL Nimbus The Palm Village - a partnership firm IITL Nimbus The Hyde Park Noida -a partnership firm Capital Infraprojects Private Limited
Associate company:	World Resorts Limited Golden Palm Facility Management Private Limited
Entities over which the Group can exercise significant influence:	The Golden Palms Hotel & SPA Nimbus Propmart Private Limited Nimbus India Limited
Key management personnel :	Dr. B. Samal, Executive Chairman Cumi Banerjee, CEO & Company Secretary Rajev Adlakha, CEO- NBFC Operations (w.e.f. February 10, 2023) Kamlesh Agrawal, CFO (Regined on February 16, 2023) Ajit Mishra, COO (from November 21, 2022 till February 16, 2023) Ajit Mishra, CFO (w.e.f. February 17, 2023)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 44 : Related party disclosures (Contd.)**

**(ii) Details of transactions with related parties:**

(a) Key management personnel: (₹ in '000)

Name of Key management personnel	Nature	Year ended March 31, 2023	Year ended March 31, 2022
Dr. B. Samal*	Remuneration	3,516.00	4,524.00
Ms. Cumi Banerjee	Remuneration	3,864.00	3,930.57
Mr. Kamlesh Kumar Agrawal	Remuneration	1,999.18	2,100.00
Ajit Mishra	Remuneration	848.25	-
Rajev Adlakha	Remuneration	891.50	-

\* Excludes provision for gratuity and compensated absences, which is determined on the basis of actuarial valuation done on overall basis for the Group

(b) Other related parties: (₹ in '000)

Nature of transaction	Year ended March 31, 2023			Year ended March 31, 2022		
	Joint Ventures	Associate company	Entities under Significant influence	Joint Ventures	Associate company	Entities under Significant influence
<u>Repayment of loans given</u>						
World Resorts Limited					18,500.00	
Capital Infraprojects Private Limited				10,000.00		
IITL Nimbus The Express Park view	247,751.46					
IITL Nimbus The Hyde Park	162,794.96					
IITL Nimbus The Palm Village	30,000.00					
<u>Interest income</u>						
World Resorts Limited		68.03			3,080.12	
MRG Hotels Private Limited			691.60			-
Capital Infraprojects Private Limited	-			519.25		
IITL Nimbus The Express Park view	6,685.22			-		
IITL Nimbus The Hyde Park Noida	-			14,367.88		
IITL Nimbus The Palm Village	3,297.41			500.00		
<u>Interest income on preference share amortisation</u>						
World Resorts Limited		-			69,441.03	
Capital Infraprojects Private Limited	-			-		
<u>Expected credit loss on loans given</u>						
IITL Nimbus The Palm Village	450.00			450.00		
World Resorts Limited	-			-		



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**
**Note 44 : Related party disclosures (Contd.)**
**(iii) Details of amount outstanding**

(₹ in '000)

Nature of transaction	As at March 31, 2023			As at March 31, 2022		
	Joint Ventures	Associate company	Entities under Significant influence	Joint Ventures	Associate company	Entities under Significant influence
<u>Loans given</u>						
IITL Nimbus The Express Park View	-			247,751.46		
IITL Nimbus The Hyde Park Noida	-			162,794.96		
IITL Nimbus The Palm Village	5,000.00			35,000.00		
<u>Interest accrued and due on loans</u>						
IITL Nimbus The Palm Village	2,705.60			2,255.60		
<u>Interest accrued but not due on loans</u>						
IITL Nimbus The Palm Village	40.69			40.68		
<u>Provision for expected credit loss</u>						
On accrued interest						
- IITL Nimbus The Palm Village	2,746.29			2,296.29		
<u>On loan</u>						
- IITL Nimbus The Palm Village	5,000.00			5,000.00		
<u>Investment in equity shares</u>						
Golden Palm Facility Management Private Limited	-	-	-	-	564.01	
<u>Investment in preference share</u>						
World Resorts Limited		423,400.00			468,090.18	
<u>Capital account of partnership firm</u>						
IITL Nimbus The Hyde Park Noida	-			35,000.00		
IITL Nimbus The Palm Village	220,000.00			220,000.00		
<u>Credit/(debit) Current account of partnership firm</u>						
IITL Nimbus The Hyde Park	(35,106.42)			(60,485.43)		
IITL Nimbus The Express Park View	(120,959.76)			(143,287.91)		
IITL Nimbus The Palm Village	(67,701.00)			(78,034.01)		

**Note 45 : Employee Benefit**
**A) Defined Contribution Plan**

(₹ in '000)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Recognised Provident Fund contributions which are defined contribution plans, for qualifying employees in the statement of profit and loss	852.68	921.91

**B) Defined Benefit Plan**

the Group offers its employees defined-benefit plan in the form of a Gratuity Scheme. Benefits under the defined benefits plan are typically based on years of service and the employees compensation covering all regular employees. Commitments are actuarially determined at year-end. The benefits vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. the Group makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

**These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.**

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 45 : Employee Benefit (Contd.)**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**Market Risk (discount Risk)**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**Longevity Risk**

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

**Actuarial risk**

Salary Increase Assumption: Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected.

The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet.

**i) The following tables set out the funded status of the gratuity plans and the amounts recognized in the financial statements (Gratuity)** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>a) Change in benefit obligations</b>		
Opening Defined Benefit Obligation	4,314.49	5,328.66
Transfer in/(out) obligation	-	-
Current service cost	385.30	313.64
Interest cost	297.73	175.09
Net Actuarial loss/(gain)	(288.73)	(1,440.33)
Past service cost	(35.60)	(46.82)
Benefits paid	(289.85)	(15.76)
Closing defined benefit obligation	4,383.34	4,314.49
<b>b) Change in plan assets</b>		
Opening value of plan assets	5,788.60	5,237.45
Transfer in/(out) plan assets	-	-
Interest Income	336.86	177.15
Net Actuarial loss/(gain)	75.28	137.73
Contributions by employer	342.10	236.27
Benefit Paid	(289.85)	-
Closing Value of plan assets	6,252.99	5,788.60
<b>c) Funded Status of the Plan</b>		
Present value of unfunded obligations	-	-
Present value of funded obligations	(4,383.34)	(4,314.49)
Fair value of plan assets	6,252.99	5,788.60
Net Assets/(Liability)	1,869.65	1,474.12

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 45 : Employee Benefit (Contd.)**

**ii) Amount recognized in the Statement of Profit and Loss under employee benefit expenses (Gratuity)** (₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current service cost	385.30	313.64
Past service cost and loss/(gain) on curtailments and settlement	-	28.28
Net Interest cost	(39.13)	(2.06)
Total included in Employee Benefit Expenses	346.16	339.87

**iii) Amount recognized in the Statement of Other Comprehensive Income (Gratuity)** (₹ in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Components of actuarial gain/losses on obligations:		
Due to change in financial assumptions	(107.18)	(329.39)
Due to changes in demographic assumption	-	-
Due to experience adjustment	(217.15)	(1,135.80)
Return on plan assets excluding amounts included in interest income	(75.28)	(203.73)
Total included in Employee Benefit Expenses	(399.61)	(1,668.92)

**iv) Reconciliation of net defined benefit assets/(liabilities) -Gratuity:** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Net opening assets in books of accounts	1,474.12	(91.21)
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense	(346.16)	(339.87)
Amounts recognized in Other Comprehensive Income	399.61	1,668.92
	1,527.57	1,237.84
Contributions to plan assets	342.10	236.27
<b>Closing provision in books of accounts</b>	<b>1,869.66</b>	<b>1,474.12</b>

**v) Break-up of defined benefit obligation (Gratuity):** (₹ in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Vested	4,165.54	4,200.20
Non vested	69.68	114.29
<b>Total</b>	<b>4,235.21</b>	<b>4,314.49</b>

**vi) Principle actuarial assumptions used to determine benefit obligations are set out below:**

**a) Gratuity**

Particulars	As at March 31, 2023	As at March 31, 2022
Discount Rate	7.17%	6.05%
Salary Growth Rate	7.00%	7.00%
<u>Withdrawal Rates</u>		
At younger ages	10.00%	10.00%
Reducing to % at older ages	2.00%	2.00%

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 45 : Employee Benefit (Contd.)**

**vii) Expected cash flows based on past service liability**

**a) Gratuity**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Cash flows (₹ in '000)	Distribution (%)	Cash flows (₹ in '000)	Distribution (%)
Year 1	1,816.90	44.36%	1,607.10	40.29%
Year 2	1,788.29	43.66%	237.94	5.97%
Year 3	61.90	1.51%	1,660.27	41.63%
Year 4	58.56	1.43%	72.41	1.82%
Year 5	58.61	1.43%	69.38	1.74%
Year 6 to Year 10	311.56	7.61%	341.26	8.56%

The Future accrual is not considered in arriving at the above cash-flows.

**viii) Composition of the plan assets (Gratuity):**

Particulars	As at March 31, 2023	As at March 31, 2022
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	97%	98%
Bank Balance	3%	2%
Other Investments	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Note: The Group is unable to obtain the details of major category of plan assets from the insurance company (Life Insurance Corporation of India) and hence the disclosure thereof is not made.

**ix) Sensitivity to key assumptions**

**a) Gratuity**

Particulars	As at March 31, 2023		As at March 31, 2022	
	DBO (₹)	Change in DBO %	DBO (₹)	Change in DBO %
<u>Discount rate varied by 0.5%</u>				
Increase by 0.5%	4,337,679	-1.86%	4,250,044	2.35%
Decrease by 0.5%	4,511,133	2.04%	4,462,742	2.54%
<u>Salary growth rate varied by 0.5%</u>				
Increase by 0.5%	4,489,230	2.63%	4,434,915	1.90%
Decrease by 0.5%	4,354,482	-1.50%	4,270,579	1.37%
<u>Withdrawal rate (WR) varied by 10%</u>				
WR* 110%	4,428,271	17.02%	4,356,234	0.09%
WR* 90%	4,413,232	0.20%	4,347,542	-0.11%

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**
**Note 46 : Financial Instruments**
**A) Financial instruments by category**

(₹ in '000)

The carrying value of financial instruments by categories is as follows:

Particulars	Category	As at March 31, 2023	As at March 31, 2022
<b>Financial Assets</b>			
Cash and cash equivalents	Amortised cost - Level 2	29,448.49	9,005.13
Bank balances other than Cash and cash equivalents	Amortised cost - Level 2	191,604.96	2,520,227.22
Receivables			
(i) Trade receivables	Amortised cost - Level 2	3,233.37	8,280.51
(ii) Other receivables	Amortised cost - Level 2	6,571.19	5,931.55
Loans	Amortised cost - Level 2	30,000.00	-
Investments			
<u>Preference shares</u>			
Associates	FVTPL - Level 3	423,400.00	468,090.18
Security deposits	Amortised cost - Level 2	7,199.73	4,571.51
Other advances	Amortised cost - Level 2	8.34	8.34
<u>Equity shares and capital accounts of partnership firm</u>			
associates and joint ventures	Amortised cost - Level 2	3,002,310.15	255,275.49
Other than associates and joint venturess	FVTPL - Level 3	760.21	794.87
<b>Total Financial Assets</b>		<b>3,694,536.47</b>	<b>3,272,482.03</b>
<b>Financial Liabilities</b>			
Trade payables	Amortised cost - Level 2	4,644.21	29,699.63
Unclaimed dividends	Amortised cost - Level 2	-	392.81
Interest free security	Amortised cost - Level 2	916.26	916.26
Debit balance of current account of partnership firms	Amortised cost - Level 2	223,767.19	281,807.35
Lease rental liabilities	Amortised cost - Level 2	995.02	11,237.88
Salary payable	Amortised cost - Level 2	28.05	781.78
<b>Total Financial Liabilities</b>		<b>230,350.73</b>	<b>324,835.71</b>

**(B) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. Fair values were measured by using level 3 inputs

For all the financial assets and liabilities referred above that are measured at fair value through profit or loss, their fair values were measured by using level 3 inputs

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Note 47 : Financial risk management (Contd.)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

### Note 47 : Financial risk management

The Group's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has constituted a Committee for Investment/Loans and Risk Management, which is responsible for developing and monitoring the Group's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Committee for Investment/Loans and Risk Management of the Group is supported by the Finance team and experts of respective business divisions that provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to:

- protect the Group's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimizing returns; and
- protect the Group's financial investments, while maximizing returns.

The Treasury department is responsible to maximize the return on companies internally generated funds.

### A. Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

#### Investment in debt instrument:

The Group assesses and manages credit risk based on credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties. The Group has accounted impact of credit risk wherever requires.

#### Loan :

The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring of the associated loss ratios and of default correlations. The Company measures credit risk using Expected Credit Loss (ECL) under Ind AS 109. Also, the Company adheres to guidelines on provisioning for non-performing assets as defined by the RBI.

#### Expected credit loss measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below. The objective of the impairment requirements is to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since initial recognition - whether assessed on an individual or collective basis - considering all reasonable and supportable information including that which is forward-looking.

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.

If significant increases in credit risk ('SICR') since initial recognition is identified the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

If the financial instrument is credit-impaired the financial instrument is then moved to 'Stage 3'. Financial instruments in Stage 1 have their ECL measured at an amount equal to 12 month ECLs. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The measurement of ECL is calculated using three main components: (i) Probability of Default (PD) (ii) Loss Given Default (LGD) and (iii) the Exposure At Default (EAD).

Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation either over the next 12 months (12M PD) or over the remaining lifetime (Lifetime PD) of the obligation.

Exposure At default (EAD) is the total amount of an asset the entity is exposed to at the time of default. EAD is defined based on the characteristics of the asset. EAD is dependent on the outstanding exposure of an asset sanctioned amount of a loan and credit conversion factor for non-funded exposures.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 47 : Financial risk management (Contd.)**

Loss given default (LGD) It is the part of an asset that is lost provided the asset default. The recovery rate is derived as a ratio of discounted value of recovery cash flows (incorporating the recovery time) to total exposure amount at the time of default. Recovery rate is calculated for each segment separately. Loss given default is computed as (1 - recovery rate) in percentage terms.

**Trade receivable:**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. The group has exposure limited to India.

The group's exposure to credit risk for trade receivable by business segment is as follow; (₹ in '000)

Name of business Segment	As at	As at
	March 31, 2023	March 31, 2022
Real estate	2,360.31	7,486.43
Insurance broking	-	794.05
<b>Total trade receivable</b>	<b>2,360.31</b>	<b>8,280.48</b>
Expected credit loss for trade receivables under simplified approach	-	-

**B. Management of Market risks**

Market risks comprises of:

- price risk; and
- interest rate risk

The Group does not designate any fixed rate financial assets as fair value through profit and loss nor at fair value through OCI. Therefore company is not exposed to any interest rate risks. Similarly company does not have any financial instrument which is exposed to change in price.

**C. Management of Liquidity Risk:**

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Group's credit rating and impair investor confidence.

**D. Capital Management**

The Group considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the balance sheet includes retained profit and share capital.

The group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Group is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Group is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders.

**Note 48 : Interest in Joint Ventures**

**(a) : Group Information**

**Joint Venture in which group is a co-venturer**

Name of Entity	Country of incorporation	Percentage of holding as on March 31, 2023	Percentage of holding as on March 31, 2022	Principal Activities
Capital Infraprojects Private Limited (CIPL)	India	50%	50%	Real Estate
IITL Nimbus The Hyde Park Noida (INHP) - Partnership Firm	India	50%	50%	Real Estate
IITL Nimbus The Express Park View (INEPV) - Partnership Firm	India	12.08%	13.48%	Real Estate
IITL Nimbus The Palm Village (INPV) - Partnership Firm	India	49.44%	49.44%	Real Estate

The group's interest in these joint ventures are accounted for using equity method in the consolidated financial statement.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**
**Note 48 : Interest in Joint Ventures (Contd.)**

(b) Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements is as follows:

(₹ in '000)

Summarised Balance Sheet	CIPL		INHP		INEVP	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Proportion of ownership interest held by the group at the year end (%)	50%	50%	50%	50%	12.08%	13.48%
Non-Current Assets	1,589.90	9,309.26	1,027.15	8,380.08	10,702.65	13,206.37
Current Assets (a)	214,987.24	338,710.29	227,684.23	484,364.81	3,011,328.41	2,711,812.23
<b>Total Assets (I)</b>	<b>216,577.14</b>	<b>348,019.55</b>	<b>228,711.38</b>	<b>492,744.89</b>	<b>3,022,031.06</b>	<b>2,725,018.60</b>
Non-Current Liabilities (b)	343,903.04	96.68	119.87	183.27	129,148.42	29,702.94
Current Liabilities (c)	388,891.31	906,095.24	228,804.35	543,532.48	2,786,024.53	2,760,073.39
<b>Total Liabilities (II)</b>	<b>732,794.35</b>	<b>906,191.92</b>	<b>228,924.22</b>	<b>543,715.75</b>	<b>2,915,172.94</b>	<b>2,789,776.33</b>
<b>Total Net Assets/(Liabilities) (I-II)</b>	<b>(516,217.21)</b>	<b>(558,172.37)</b>	<b>(212.84)</b>	<b>(50,970.86)</b>	<b>106,858.12</b>	<b>(64,757.73)</b>
(a) Includes cash and cash equivalents	41,109.45	5,239.46	45,675.45	113,877.97	31,865.64	41,316.84
(b) Includes Non current financial liabilities	-	-	-	-	-	-
(c) Includes current financial liabilities	49,695.70	476,205.87	10,141.26	19,483.09	71,499.58	258,866.18

(₹ in '000)

Summarised statement of Profit and Loss	CIPL		INHP		INEVP	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Proportion of ownership interest held by the group at the year end (%)	50%	50%	50%	50%	12.08%	13.48%
Revenues	235,009.85	156,531.87	255,367.97	185,365.83	239,168.99	450,615.13
Operating Costs	126,948.63	100,336.48	166,757.74	156,592.66	155,728.33	369,965.35
Employee benefits expenses	8,950.79	13,821.50	8,704.69	13,470.65	10,248.34	6,373.96
Finance cost	30,595.84	85,717.87	14,787.02	40,749.95	35,609.42	42,458.81
Depreciation and amortisation expenses	608.47	2,159.48	153.60	342.64	207.97	71.72
Other expenses	18,493.99	24,152.24	7,429.42	33,421.73	14,653.59	16,363.65
<b>Profit/(loss) before exception item and tax</b>	<b>49,412.13</b>	<b>(69,655.69)</b>	<b>57,535.51</b>	<b>(59,211.80)</b>	<b>22,721.34</b>	<b>15,381.63</b>
Exception items	-	-	-	-	123,890.20	-
Tax expenses	7,651.14	39.58	6,893.96	(1,205.80)	994.45	-
<b>Profit/(loss) after tax</b>	<b>41,760.99</b>	<b>(69,695.27)</b>	<b>50,641.56</b>	<b>(58,006.01)</b>	<b>145,617.09</b>	<b>15,381.63</b>
Other comprehensive income	(194.17)	(330.28)	116.46	(80.22)	(1.24)	586.65
<b>Total comprehensive income for the year</b>	<b>41,955.16</b>	<b>(69,364.99)</b>	<b>50,758.02</b>	<b>(58,086.22)</b>	<b>145,615.85</b>	<b>15,968.28</b>

(₹ in '000)

Reconciliation of carrying amount	CIPL		INHP		INEVP	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Total net assets of JV (a)	(516,217.21)	(558,172.37)	(212.84)	(50,970.86)	106,858.12	(64,757.73)
Proportion of ownership interests held by the Group (b)	50%	50%	50%	50%	12%	13%
Group share of net assets (a*b)	(258,108.60)	(279,086.18)	(106.42)	(25,485.43)	12,908.46	(8,729.34)
Add/(Less): difference in capital contribution					0.01	0.01
Add/(Less): impairments on investment			-	-	-	-
Carrying amount of Investment (net)	-*	-*	(106.42)	(25,485.43)	12,908.47	(8,729.33)

\* When the Group's share of losses on an equity-accounted investment equal or exceeds its interest in the entity, the Group does not recognise further losses.



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 48 : Interest in Joint Ventures (Contd.)**

(₹ in '000)

Summarised Balance Sheet	INPV	
	As at March 31, 2023	As at March 31, 2022
Proportion of ownership interest held by the group at the year end (%)	49.44%	49.44%
Non-Current Assets	11,484.18	11,201.62
Current Assets (a)	1,019,269.26	819,907.15
<b>Total Assets (I)</b>	<b>1,030,753.43</b>	<b>831,108.77</b>
Non-Current Liabilities (b)	227,737.26	248,820.04
Current Liabilities (c)	489,916.42	290,089.07
<b>Total Liabilities (II)</b>	<b>717,653.69</b>	<b>538,909.11</b>
<b>Total Net Assets/(Liabilities) (I-II)</b>	<b>313,099.75</b>	<b>292,199.66</b>
(a) Includes cash and cash equivalents	1,521.32	2,411.03
(b) Includes Non current financial liabilities	21,100.00	21,100.00
(c) Includes current financial liabilities	178,508.42	79,745.85

(₹ in '000)

Summarised statement of Profit and Loss	INPV	
	Year ended March 31, 2023	Year ended March 31, 2022
Proportion of ownership interest held by the group at the year end (%)	49.44%	49.44%
Revenues	132.96	2,154.58
Operating Costs	-	-
Employee benefits expenses	552.44	255.26
Finance cost	5.45	13,355.41
Depreciation and amortisation expenses	14.11	16.28
Other expenses	780.28	597.49
<b>Profit/(loss) before exception item and tax</b>	<b>(1,219.31)</b>	<b>(12,069.85)</b>
Exception items	22,182.96	385,879.48
Tax expenses	55.27	-
<b>Profit/(loss) after tax</b>	<b>20,908.39</b>	<b>373,809.63</b>
Other comprehensive income	8.29	(7.12)
<b>Total comprehensive income for the year</b>	<b>20,900.10</b>	<b>373,816.75</b>

(₹ in '000)

Reconciliation of carrying amount	INPV	
	As at March 31, 2023	As at March 31, 2022
Total net assets of JV (a)	313,099.75	292,199.66
Proportion of ownership interests held by the Group (b)	49.44%	49.44%
Group share of net assets (a*b)	154,796.51	144,463.51
Add/(Less): difference in capital contribution	(0.01)	0.01
Add/(Less): Inter company elimination	-	-
Carrying amount of Investment (net)	154,796.51	144,463.52

\* adjusted according to holding as on balance sheet date

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 49: Investment in associate and joint venture**

(₹ in '000)

Particulars	WRL	
	As at March 31, 2023	As at March 31, 2022
i) Number of equity shares (nos.)	13,018,125	13,018,125
ii) Percentage holding (%)	24.62%	24.62%
iii) Cost of Investment (equity shares)	155,181.25	155,181.25
Goodwill/(capital reserve) included in cost of Investment above	45,087.00	45,087.00
iv) Share in accumulated profit/(loss) net of dividend received		
At the beginning of the year	(155,181.25)	(155,181.25)
Share during the year	-	-
At the end of the year	(155,181.25)	(155,181.25)
v) Carrying cost	-	-

**Note 50: Significant notes on the Financial statements of subsidiaries and Joint Ventures**

**50(a) : IITL PROJECTS LIMITED**

The financial results of the subsidiary namely IITL Projects Limited have been prepared on a going concern basis, although the subsidiary is incurring continuous losses. The net worth of the subsidiary is negative as on March 31, 2023.

In view of the adverse cash flows of the joint ventures namely IITL - Nimbus The Express Park View IITL - Nimbus. The Palm Village, IITL Nimbus. The Hyde Park and Capital Infra Project Limited, their ability to continue on a going concern is doubtful. Further as at 31st March, 2023, the accumulated losses of ₹ 6,079.83 lakhs exceeds the paid up equity capital and the net worth of the company stands fully eroded. The current liabilities of the company exceeding its total assets indicates that material uncertainty exists that may cause significant doubt on the company's ability to continue as a going concern. The Management is seized of the matter that the networth of the Company is completely eroded. In the light of the above, the Company is exploring options to infuse funds or exiting loss making JVs to reduce any further losses. One of the JVs, IITL Nimbus Palm Village has commenced its Projects and the Management is closely monitoring the development of the same and its impact on the cash flows. Another JV, IITL Nimbus The Express Park View projects is under progress and its cash flow will depend upon the market condition. Accordingly the financial statements have been prepared on going concern basis

Considering the above, based on the financial statement of joint ventures as well estimated cash flow, the Investments in three joint ventures namely IITL-Nimbus The Express Park View, IITL Nimbus The Hyde Park and Capital Infra Project Limited are fully impaired and recognised. No provisions for impairment in the capital of IITL -Nimbus The Palm Village considered necessary and the share of profit up to the reporting date being a partnership firm has been recognised in the Profit & Loss account.

**JOINT VENTURES OF THE IITL PROJECTS LIMITED**

**IITL NIMBUS THE PALM VILLAGE :**

- i) Due to subdued market sentiments and poor response, the Firm temporarily suspended the operations/activities in the project. No substantial administrative and technical work was carried out in the project. Hence, the management committee in its meeting dt. 29.01.2018 decided that w.e.f. 01.01.2018, all the borrowing costs i.e. Interest on Unsecured Loan, Interest on Land Premium and Interest on Delayed payment of premium be directly charged to Statement of Profit & Loss instead of capitalization to inventories. Similarly, Interest on delayed payment of Farmer Compensation and interest on lease rent were also being directly charged to Statement of Profit & Loss.
- ii) In management committee meeting held on 01.12.2021, it was noted that the firm surrendered the partial piece of land to the YEIDA and the surrender deed for the same was executed on November 30, 2021, that the balance piece of land admeasuring 55152 sq. mtrs shall be demarcated and the physical possession will be assigned to the Firm in short span of time, and that the development activities in the project will start immediately after receiving the physical possession of land the project shall be categorized as 'Revived Project'.
- iii) In the above mentioned management committee meeting, the matter of capitalising the borrowing costs including interest on unsecured loans, interest on land premium & interest on delayed payment of premium as per applicable accounting standards was considered and it was resolved not to charge the same directly to Statement of P&L, w.e.f. 01.04.2022.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Note 50: Significant notes on the Financial statements of subsidiaries and Joint Ventures (Contd.)

- iv) As per letter dated 04.08.2022 from YEIDA there was recalculation on the part of YEIDA and further land measuring 7375.48 Sq. Mtrs. has been surrendered vide Surrender deed dated 17<sup>th</sup> Nov 2022 with YEIDA. (in addition to 47843.70 Sq. Mtrs already surrendered vide Surrender deed dated 30<sup>th</sup> Nov 2021 with YEIDA). Demarcation of the Land measuring 47776.52 Sq. Mtrs. (revised from 55152 Sq. Mtrs. as per letter dated 04.08.2022 from YEIDA) in favour of the Firm and The Physical possession of land given as per letter dated 18.01.2023.
- v) The conditions in the project, as mentioned above, indicate the existence of uncertainty about the Firm ability to continue as a going concern. However, the prevailing rate of land as per Yamuna Express Industrial Development Authority (YEIDA) official Site, the valuation of land as on 31<sup>st</sup> March, 2023 is in excess of the book value of land. Also, considering the situation evolving subsequent to Surrender Deed dated 30<sup>th</sup> November, 2021, no impairment is envisaged and provided in the books of account. It may be mentioned that as per letter dated 04.08.2022 from YEIDA there was recalculation on the part of YEIDA and Further land measuring i.e. 7375.48 sq. mtrs has been surrendered vide Surrender deed dated 17<sup>th</sup> Nov 2022 with YEIDA. (in addition to 47843.70 sq Mtrs already surrendered vide Surrender deed dated 30<sup>th</sup> Nov 2021 with YEIDA)
- vi) IITL Nimbus The Palm Village Joint Venture vide their letter dated July 01, 2022 proposed to settle the unsecured loan of ₹ 300.00 lakhs in the following manner;
- 25% of the outstanding loan amount to be paid upfront by IITL Nimbus The Palm Village
  - Repayment of loan on or before March 31, 2023
  - Waiver of outstanding interest of ₹ 242.14 lakhs
  - No interest shall be charged starting for period 01 October 2022 to 31 March 2023 Shareholders of Industrial Investment Trust Ltd on January 10, 2023, through postal ballot accorded their consent for one time settlement of the total outstanding loan of ₹ 300.00 lakhs Impact in respect of waiver of interest has been given effect in joint venture for the quarter ended March 31, 2023. Share of profit from joint venture includes ₹ 109.67 lakhs for the year ended March 31, 2023. The impact due to reversal of interest, recognised in the profit and loss account by joint venture in earlier years.

### CAPITAL INFRAPROJECTS PRIVATE LIMITED :

- i) As at the end of the period, the accumulated losses of ₹ 5,262.17 Lakhs exceed the paid-up equity share capital and the net worth of the Company is fully eroded.

Above matters indicate material uncertainty that exists which may cast a significant doubt on the Company's ability to continue as a Going Concern. However, the Accounts are continued to be prepared on a Going Concern basis in the absence of adequate necessary data for compilation on an alternative basis. Consequently, no adjustments are made in the accounts relating to the recoverability of recorded asset amounts and in respect of recorded liabilities and contingent liabilities that might devolve on the Company, for compilation of Accounts on an alternative basis. As present, the Company continues to carry the real estate business operations.

- ii) The Firm was in receipt of letter dated 23/11/2022 from Greater Noida Industrial Development Authority (GNIDA), in which GNIDA has referred to Hon'ble Supreme Court order dated 07/11/2022, as per which, Hon'ble Supreme Court has directed the Noida Authority/ GNIDA to calculate the amount due, after taking into consideration the effect of the order dated 09.06.2022 issued by the state Government. As per order dated 09.06.2020 issued by the state Government, inter alia, the interest rates would not be effective retrospectively. Pending calculation of interest by GNIDA in terms of letter dated 23/11/2022 from the Authority, the Firm has recalculated interest liability for the period 01/07/2020 to 31/12/2022 and accounted for the same, which has resulted in decrease in interest liability by ₹ 82.78 lakhs for the said period.

### IITL NIMBUS THE EXPRESS PARK VIEW :

- i) The Firm was in receipt of letter dated 23/11/2022 from Greater Noida Industrial Development Authority (GNIDA), in which GNIDA has referred to Hon'ble Supreme Court order dated 07/11/2022, as per which, Hon'ble Supreme Court has directed the Noida Authority/ GNIDA to calculate the amount due, after taking into consideration the effect of the order dated 09.06.2022 issued by the state Government. As per order dated 09.06.2020 issued by the state Government, inter alia, the interest rates would not be effective retrospectively. Pending calculation of interest by GNIDA in terms of letter dated 23/11/2022 from the Authority, the Firm has recalculated interest liability for the period 01/07/2020 to 31/12/2022 and accounted for the same, which has resulted in decrease in interest liability by ₹ 163.85 lakhs for the said period.
- ii) IITL - Nimbus the Express Park View, joint venture entered into the settlement agreement dated 31<sup>st</sup> December 2021 with Nimbus India Limited to settle the unsecured loan of ₹ 2,209.00 lakhs and outstanding interest of ₹ 131.00 lakhs in following manner.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Note 50: Significant notes on the Financial statements of subsidiaries and Joint Ventures (Contd.)

- a) Repayment of loan amounting to ₹ 500.00 lakhs immediately.
  - b) Balance of ₹ 1840.00 lakhs shall be repaid within 6 months from date of execution of settlement agreement.
  - c) Waiver of interest ₹ 1031.98 lakhs for the period October 01, 2017 to September 30, 2021, if the above conditions are satisfied.
  - d) No interest shall be charged for the period starting immediately after the expiry of Restructuring agreement i.e. w.e.f. October 01, 2021. All the above conditions are satisfied as per settlement Agreement. Impact in respect of waiver of interest has been given effect in joint venture financials for the quarter ended 30.06.2022. Share of profit from joint venture includes ₹ 87.23 lakhs for the year ended 31<sup>st</sup> March, 2023 the impact due to reversal of interest, recognised in the profit and loss account by joint venture in earlier years.
- iii) IITL-Nimbus The Express Park View, Joint Venture vide their letter dated 18.06.2022 to Industrial Investment Trust Limited (IITL), proposed to settle the unsecured loan of ₹ 2,477.51 lakhs in following manner.
- a) The Firm will repay the outstanding loan on or before December 31, 2022.
  - b) In the unlikely scenario of the amount not being remitted by December 31, 2022, the Firm will transfer the flats of equivalent of outstanding loan amount.
  - c) Waiver of interest ₹ 943.57 lakhs for the period October 01, 2017 to September 30, 2021.
  - d) No interest shall be charged for the period starting immediately after the expiry of Restructuring agreement i.e. w.e.f. October 01, 2021 to up to December 31, 2022.

IITL in its Annual General Meeting held on September 24, 2022, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 2,477.51 lakhs granted by the Company to IITL Nimbus The Express Park View and waive interest outstanding there.

All the above conditions are satisfied as per settlement Agreement. Impact in respect of waiver of interest has been given effect in joint venture financials for the quarter ended 31.12.2022. Share of profit from joint venture includes Rs. 93.96 lakhs for the year ended 31<sup>st</sup> March, 2023 the impact due to reversal of interest, recognised in the profit and loss account by joint venture in earlier years.

### IITL NIMBUS THE HYDE PARK NOIDA

- i) As per decision of the Honourable Supreme court dated 07/11/2022. The firm is liable to pay interest to GNIDA from July 2020 to December 2022. This liability had already been provided in the earlier years. The liability as per the current judgement has been retained in the books of accounts and excess has been written off in the period and nine month ended December 2022.
- ii) The Company's inventory is not substantial enough to support its business operations in the foreseeable future as of March 31, 2023. As a result, the financial statements have been prepared based on the assumption that the company will not operate as a going concern and therefore, the current assets and liabilities have been valued based on their realistic realizable and payable amounts. Based on a management analysis of cash flow, the company is projected to be capable of fulfilling both statutory and regulatory obligations in near future.
- iii) IITL-Nimbus The Hyde park Noida, Joint venture entered into settlement agreement dated 1<sup>st</sup> November, 2022 with Industrial Investment Trust Limited (IITL), proposed to settle the unsecured loan of ₹ 1,627.95 lakhs in following manner.
  - a) The Firm will repay the outstanding loan on or before December 31, 2022.
  - b) To waive the total outstanding interest amount of ₹ 263.71 lakhs as on June 30, 2022 and all future interest amount thereafter up to December 31, 2022.
  - c) The Firm reiterates their commitment to remit the outstanding loan amount.
  - d) In the unlikely scenario of the amount not being remitted by December 31, 2022, the Firm will without any further request or extension, transfer the flats of equivalent of outstanding loan amount, with completion certificates obtained and facilitate registration of the same. In such eventuality, no maintenance charges will be levied on the flats until the time they are sold or for a period of 12 months ending December 31, 2023 whichever is earlier.

IITL in its Annual General Meeting held on September 24, 2022, have accorded their consent for One Time Settlement of the total outstanding loan of ₹ 1,627.95 lakhs granted by the Company to IITL Nimbus The Hyde Park and waive interest outstanding thereon amounting to ₹ 263.71 lakhs as on June 30, 2022 and all future interest amount thereafter up to December 31, 2022. The Firm has paid the outstanding loan of ₹ 1,627.95 lakhs on 21.10.2022.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Note 50: Significant notes on the Financial statements of subsidiaries and Joint Ventures (Contd.)

#### 50(b) : IIT INVESTRUST LIMITED

##### Stock-broking operation

The Company in its board meeting held on May 22, 2019 has decided for voluntary closure of stock broking business in all segment with National Stock Exchange of India and Bombay Stock Exchange limited. Subsequently, the company has made application to stock exchanges for surrender of membership. However National Stock Exchange has approved for cancellation of membership on June 23, 2021.

As at March 31, 2023, the Company is carrying impairment provision of ₹ 344.61 lakhs on equity investment based on the audited net worth as at March 31, 2023. The management of the Company is of view of that the said impairment provision is considered adequate.

Considering the materiality of net income from this segment to total income, the segment is shown under continuing operation.

#### 50(c) : IITL Management and Consultancy Private Limited (Formerly known as IIT Insurance Broking and Risk Management Private Limited)

As at March 31, 2023, the Company is carrying impairment provision of ₹127.07 lakhs on equity investment based on the audited net worth as at March 31, 2023. The management of the Company is of view of that the said impairment provision is considered adequate. IIT Insurance broking and Risk Management Private Limited changed its name to IITL Management and Consultancy Private Limited and also changed its Object Clause. The fresh Certificate of Registration (COR) was received from Ministry of Corporate Affairs. The Company sent a copy of certificate to IRDAI. IRDAI granted certificate of surrender to the Company vide email dated November 25, 2021. The Company ceases to be an Insurance Broking company.

#### 50(d) : Future Generali India Life Insurance Company Limited (FGILICL)

The Company has made an investment of ₹34,000.00 lakhs in Future Generali India Life Insurance Company Ltd. (FGILICL), a joint venture of the Company, acquiring 22.5% of its equity capital in the financial year 2012-2013. Between August 2016 to December 2021 FGILICL made various Rights Issues. The Company did not subscribe in any of the Rights Issues. With the increase in paid up capital on account of the Rights issue, the Company's equity stake in FGILICL had reduced to 16.62%.

On December 06, 2021 the Board of Directors of the Company have accepted the offer made by Generali Participations Netherlands N.V. one of the Joint Venture Partner of FGILICL, for acquiring the company's equity stake of 32,67,00,000 equity shares of ₹10 each representing 16.62% of the equity share capital of FGILICL.

Further, upon receiving approvals from Insurance Regulatory and Development Authority of India, Competition Commission of India and other respective authorities, the Company has sold the equity investment of FGILICL at ₹22,500 lakhs and whole transaction has been consummated on March 28, 2022 and has recognised profit of ₹7,165.06 lakhs and considered the same as exceptional item.

#### 50(f) : World Resorts Limited (WRL)

The Company has investment in equity shares and preference shares of WRL. WRL has incurred loss in the current year and the net worth of the associate is negative as on March 31, 2023.

Considering the above, the Company has provided loss of ₹ 1,551.81 lakhs toward entire equity investment and ₹ 1,099.14 lakhs toward preference share investment on account of change in fair value as at March 31, 2023.

### Note 51 : Segment Information

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 51 : Segment Information (Contd.)**

The Group has four principal operating and reporting segments; viz. Investment, Insurance, Real estate and Investment brokerage services.

(₹ in '000)

Sr No.	Particulars	31-Mar-2023	31-Mar-2022
1	<b>Segment Revenue</b>		
	(a) Investment activity	161,770.61	76,949.16
	(b) Insurance	827.95	847.89
	(c) Real Estate	14,885.95	12,295.46
	<b>Total</b>	<b>177,484.51</b>	<b>90,092.51</b>
2	<b>Segment Result</b>		
	(a) Investment activity	499,395.30	46,066.02
	(b) Insurance	(390.88)	461.28
	(c) Real Estate	64.87	(2,967.16)
	(d) Others	(86.68)	(123.41)
		498,982.61	43,436.73
	Less :		
	(a) Share of net profit/(loss) of joint ventures and associates accounted for using equity method	23,010.72	(403,627.38)
	(b) Other unallocable expenses net of income	-	716,505.58
	<b>Profit/(Loss) before tax</b>	<b>521,993.33</b>	<b>356,314.93</b>
3	<b>Segment Assets</b>		
	(a) Investment activity	3,495,538.30	3,161,969.93
	(b) Insurance	27,233.94	27,643.18
	(c) Real Estate	308,584.19	303,547.41
	(d) Investment Brokerage Services	674.54	1,014.88
	(e) Others	(82.18)	(82.18)
	<b>Total</b>	<b>3,831,948.79</b>	<b>3,494,093.22</b>
4	<b>Segment Liabilities</b>		
	(a) Investment activity	10,835.48	60,168.38
	(b) Insurance	134.43	134.53
	(c) Real Estate	237,028.02	290,056.31
	(e) Others	45.74	31.48
	<b>Total</b>	<b>248,043.67</b>	<b>350,390.70</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 52 : Additional Information as required under Schedul III of the Companies Act, 2013, of enterprises consolidated as Subsidiary /Associates as March 31, 2023** (₹ in '000)

Name of the entity	Net Assets i.e. Total Assets minus Total Laibility		Share in Total Profit or Loss		Share in Other comprehensive Income		Share in Total comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other comprehensive Income	Amount	As % of consolidated Total comprehensive Income	Amount
<b>Industrial Investment Trust Limited</b>	99.16	3,554,447.80	97.61	429,937.60	84.14	260.13	97.60	430,197.73
<b>Subsidiaries:</b>								
<b>Indian:</b>								
IITL Projects Limited	(9.19)	(329,382.89)	(48.94)	(215,567.29)	8.87	27.42	(48.90)	(215,539.87)
IITL Management and Consultancy Private Limited (Formerly Known as IIT Insurance Broking and Risk Management Private Limited)	0.35	12,369.45	(0.09)	(409.15)	-	-	(0.09)	(409.15)
IIT Investrust Limited	2.31	82,948.14	(11.43)	(50,334.39)	2.64	8.16	(11.42)	(50,326.23)
<b>Associates:</b>								
<b>Indian:</b>								
Golden Palm Facilities Management Pvt. Ltd.	0.01	246.04	(0.13)	(591.46)	25.15	77.76	(0.12)	(513.70)
<b>Entities over which the Company can exercise significant influence:</b>								
IITL Nimbus The Express Park View	(3.37)	(120,959.76)	0.47	2,073.49	(0.99)	(3.07)	0.47	2,070.42
IITL Nimbus The Palm Village	(1.89)	(67,701.00)	35.22	155,147.66	(0.06)	(0.19)	35.20	155,147.47
IITL Nimbus The Hyde Park Noida	(0.98)	(35,106.42)	6.58	29,003.00	(19.75)	(61.06)	6.57	28,941.94
Capital Infraprojects Private Limited	(0.14)	(5,000.00)	-	-	-	-	-	-
<b>Adjustments arising out of consolidation</b>	13.74	492,610.50	20.71	91,215.70	-	-	20.69	91,215.70
	<b>100.00</b>	<b>3,584,471.85</b>	<b>100.00</b>	<b>440,475.16</b>	<b>100.00</b>	<b>309.15</b>	<b>100.00</b>	<b>440,784.31</b>

**Note 52 : Additional Information as required under Schedul III of the Companies Act, 2013, of enterprises consolidated as Subsidiary /Associates as March 31, 2022** (₹ in '000)

Name of the entity	Net Assets i.e. Total Assets minus Total Laibility		Share in Total Profit or Loss		Share in Other comprehensive Income		Share in Total comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other comprehensive Income	Amount	As % of consolidated Total comprehensive Income	Amount
<b>Industrial Investment Trust Limited</b>	99.38	3,124,250.08	(501.78)	(996,031.12)	93.60	1,168.50	(279.59)	(994,862.62)
<b>Subsidiaries:</b>								
<b>Indian:</b>								
IITL Projects Limited	(7.68)	(241,478.46)	(39.83)	(79,071.92)	1.54	19.27	(22.22)	(79,052.65)
IITL Management and Consultancy Private Limited (Formerly Known as IIT Insurance Broking and Risk Management Private Limited)	0.41	12,778.60	(0.64)	(1,274.78)	-	-	(0.36)	(1,274.78)
IIT Investrust Limited	4.24	133,274.37	0.82	1,623.58	3.78	47.21	0.47	1,670.79
<b>Associates:</b>								
<b>Indian:</b>								
Golden Palm Facilities Management Pvt. Ltd.	0.01	275.49	(0.30)	(591.46)	6.23	77.76	(0.14)	(513.70)
<b>Entities over which the Company can exercise significant influence:</b>								
IITL Nimbus The Express Park View	(4.56)	(143,287.91)	1.04	2,073.49	(0.25)	(3.07)	0.58	2,070.42
IITL Nimbus The Palm Village	(2.48)	(78,034.01)	78.16	155,147.66	(0.02)	(0.19)	43.60	155,147.47
IITL Nimbus The Hyde Park Noida	(1.92)	(60,485.43)	14.61	29,003.00	(4.89)	(61.06)	8.13	28,941.94
Capital Infraprojects Private Limited	(0.16)	(5,000.00)	-	-	-	-	-	-
<b>Adjustments arising out of consolidation</b>	12.77	401,409.46	547.92	1,087,621.65	-	-	349.52	1,243,705.02
	<b>100.00</b>	<b>3,143,702.19</b>	<b>100.00</b>	<b>198,500.10</b>	<b>100.00</b>	<b>1,248.42</b>	<b>99.99</b>	<b>355,831.89</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

### Note 53 :

The Company had received letter from the Reserve Bank of India (RBI) dated June 25, 2018. Vide said letter, the RBI has prohibited the Company to expand its credit/investment portfolio other than investment in Government Securities till Net Non-performing Assets (NPA's) are brought down to below 5%. The Board of the Company in its meeting held on August 13, 2018 discussed and deliberated on the issues raised by RBI. The board of the Company drew an action plan for the same and submitted response to the RBI accordingly.

Further RBI vide their e-mail dated October 06, 2022 inter alia advised the Company to rectify the imbalance in financial assets to total assets criteria. The Company has taken necessary steps (Including making investments in G-Secs) and has met the Financial assets to Total assets criteria from Quarter 3 of 2022-23 and has met both Financial Assets to Total Assets and Financial Income to Total Income criteria for Quarter 4 of 2022-23.

### Note 54: Other Statutory Information

- (i) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- (ii) There is an investment property in the books of the group which has been accounted as per the Indian accounting standard.
- (iii) The Group has not revalued its property, plant and equipments.
- (iv) The Group has not revalued its intangible assets.
- (v) There are no loans or advances in the nature of loans that are granted to promoters, directors, key managerial personnel (KMPs) and the related parties either severally or jointly with any other person, that are: a) Repayable on demand or b) Without specifying any terms or period of repayment.
- (vi) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (vii) The Group does not have borrowings from banks or financial institutions on the basis of security of current assets.
- (viii) The Group is not declared wilful defaulter by any bank or financial Institution or other lender.
- (ix) There are no balances outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- (x) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (xi) Compliances with number of layer of companies - not applicable
- (xii) Compliances with approved scheme of arrangements - not applicable
- (xiii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (xiv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (xv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xvi) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)**

**Note 55 :**

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

**Note 56 :**

The Financial Statement is approved by the Board of Directors of the Company in the meeting held on May 27, 2023.

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The accompanying notes (1-56) form integral part of the financial statements.

Vide our report of even date attached

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

For **Maharaj N R Suresh and Co.LLP**

Chartered Accountants

Firm Registration No. 001931S/S000020

**DR. B. SAMAL**

Chairman

DIN : 00007256

**BIPIN AGARWAL**

Director

DIN: 00001276

Place: Delhi

**K V SRINIVASAN**

Partner

Membership No. 204368

**CUMI BANERJEE**

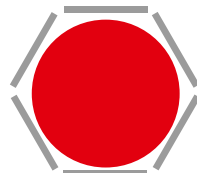
CEO & Company Secretary

**AJIT MISHRA**

Chief Financial Officer

Mumbai : May 27, 2023

Mumbai : May 27, 2023



**IITL GROUP**

**INDUSTRIAL INVESTMENT TRUST LIMITED**

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