

Reliance Innovative Building Solutions Private Limited

**Financial Statements
2022-23**

Independent Auditor's Report

To the Members of Reliance Innovative Building Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Reliance Innovative Building Solutions Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its loss including other Comprehensive income, its cash flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, cash flows and the Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to

communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of written representations received from the Directors as on 31st March, 2023 taken on record by the Board of Directors, 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 with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) In our opinion and to the best of our information and according to the explanations given to us, during the year the Company has not paid or provided any managerial remuneration under Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 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 and as represented by the management:

- i. The Company does not have any pending litigations which would impact on its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 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 to us 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 to us that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the current year.
- 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 1st April, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration no. 101720W/W100355

Amit Chaturvedi

Partner

Membership No.: 103141

UDIN: 23103141BGXQTY2573

Place: Mumbai

Date: 7th April, 2023

Annexure A to Independent Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the members of **Reliance Innovative Building Solutions Private Limited** for the year ended 31st March, 2023.

- i. As the Company does not have any Property, Plant and Equipment including Intangible Assets during the year. Accordingly, reporting requirement to report of clause i(a),(b),(c),(d),(e),(f) of paragraph 3 of the Order are not applicable to the Company.
- ii. (a) As the Company does not have any Inventory during the year. Accordingly, reporting requirement to report of clause ii(a) of paragraph 3 of the Order is not applicable to the Company.

(b) Based on the records examined by us and according to the information and explanations given to us, the Company has not availed any facility from banks on the basis of security of current assets. Accordingly, reporting requirement to report of clause ii(b) of paragraph 3 of the Order is not applicable.
- iii. On the basis of examination of records of the company and information and explanations given to us, during the year the Company has not made investment or provided any guarantee or security or has not granted any loan or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other entities. Accordingly, reporting requirement to report of clause iii(a), (b), (c), (d) (e) and (f) of paragraph 3 of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Accordingly, the reporting requirement to report of clause (iv) of paragraph 3 of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of sections 73 to 76 of the Act and the Rules framed there under to the extent applicable. Accordingly reporting requirement to report of clause (v) of paragraph 3 of the order is not applicable to the company.
- vi. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company. Accordingly reporting requirement to report of clause (vi) of paragraph 3 of the order is not applicable to the company.

vii. In respect of Statutory dues:

(a) On the basis of examination of records of the company and according to the information and explanations given to us, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other material statutory dues have been generally regularly deposited with appropriate authorities.

There were no undisputed amounts payable in respect of the aforesaid dues, which were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable.

(b) On the basis of examination of records of the company and according to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.

viii. According to information and explanations given to us and the examination of records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly reporting requirement to report of clause (viii) of paragraph 3 of the order is not applicable to the company.

ix. (a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given and records examined by us, the company has not obtained any term loan during the year.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that, prima facie, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.

- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company does not have any subsidiaries, associates or joint ventures and accordingly, reporting requirement to report of clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiaries, associates or joint ventures and accordingly, reporting requirement to report of clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement to report of clause x(a) of paragraph 3 the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company during the year has not made any preferential allotment or private placement of shares fully or partially or optionally convertible debentures during the year. Accordingly, the reporting requirement to report of clause x(b) of paragraph 3 of the Order is not applicable to the Company.
- xi. (a) Based on the audit procedures performed by us and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, no whistle-blower complaints have been received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the reporting requirement to report of clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable Indian accounting standards. Further, the Company is not required to constitute an Audit

Committee under Section 177 of the Act and, accordingly, to this extent, the reporting requirement of clause (xiii) of paragraph 3 of the Order is not applicable to the Company.

- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and 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, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, the reporting requirement to report of clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement to report of clause xvi(a) of paragraph 3 the Order is not applicable to the Company.
- (b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting requirement to report of clause xvi(b) of paragraph 3 of the Order is not applicable to the Company.
- (c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirement to report of clause xvi(c) of paragraph 3 of the Order is not applicable to the Company.
- (d) As represented by Management, the 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. Accordingly, the reporting requirement to report of clause xvi(d) of paragraph 3 of the Order is not applicable to the Company.
- xvii. Based on the examination of records, the Company has incurred cash losses of ₹ 10,339 Thousands in the financial year and of ₹ 4,984 Thousands in the immediately preceding financial year.

- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting requirement to report of clause (xviii) of paragraph 3 the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions of Section 135 of the Companies Act is not applicable to the Company. Accordingly reporting requirement to report of clause xx (a) and (b) of paragraph 3 are not applicable to the Company.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration no. 101720W/W100355

Amit Chaturvedi

Partner

Membership No.: 103141

UDIN: 23103141BGXQTY2573

Place: Mumbai

Date: 7th April, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Reliance Innovative Building Solutions Private Limited** on the Financial Statements for the year ended 31st March, 2023

Report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Reliance Innovative Building Solutions Private Limited** ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to these 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 these financial statements to future periods are subject to the risk that the internal financial controls with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements 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 ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration no. 101720W/W100355

Amit Chaturvedi

Partner

Membership No.: 103141

UDIN: 23103141BGXQTY2573

Place: Mumbai

Date: 7th April, 2023

Reliance Innovative Building Solutions Private Limited
Balance sheet as at 31st March, 2023

₹ in thousand

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
Other Non Current Assets	1	<u>551</u>	<u>1,934</u>
Total Non-Current Assets		551	1,934
Current Assets			
Financial Assets			
Trade Receivables	2	-	5,551
Cash and Cash Equivalents	3	2,347	1,742
Other Financial Assets	4	114	109
Other Current Assets	5	<u>1,94,546</u>	<u>1,94,679</u>
Total Current Assets		1,97,007	2,02,081
Total Assets		<u>1,97,558</u>	<u>2,04,015</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	6	6,46,940	6,46,940
Other Equity	7	<u>(5,83,787)</u>	<u>(5,73,447)</u>
Total Equity		63,153	73,493
Non-Current Liabilities			
Financial Liabilities			
Borrowings	8	<u>1,33,000</u>	<u>1,30,000</u>
Total Non Current Liabilities		1,33,000	1,30,000
Current Liabilities			
Financial Liabilities			
Trade Payables	9	428	451
Other Current Liabilities	10	<u>977</u>	<u>71</u>
Total Current Liabilities		1,405	522
Total Liabilities		<u>1,34,405</u>	<u>1,30,522</u>
Total Equity and Liabilities		<u>1,97,558</u>	<u>2,04,015</u>
Significant Accounting Policies			
Notes to Financial Statements	1 to 23		

Reliance Innovative Building Solutions Private Limited

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountant

Firm Registration No : 101720W/W100355

Amit Chaturvedi

Partner

Membership No. 103141

Date : April 7, 2023

For and on behalf of the Board

Tarun Kumar Jhunjhunwala

Chairman

DIN - 02150455

Sudhakar Saraswatula

Director

DIN - 00001330

Ramesh Kumar Damani

Director

DIN - 00049764

Pooja Karia

Chief Financial Officer

Rajiv Sharma

Chief Executive Officer

Avani Gangapurkar

Company Secretary

Reliance Innovative Building Solutions Private Limited
Profit and Loss Statement for the year ended 31st March, 2023

Particulars	Note	₹ in thousand	
		2022-23	2021-22
INCOME			
Revenue from Operations		-	-
Other Income	11	188	5,256
Total Income		188	5,256
EXPENSES			
Finance Costs	12	9,751	9,153
Other Expenses	13	777	1,087
Total Expenses		10,528	10,240
Profit/ (Loss) Before Tax		(10,340)	(4,984)
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Profit/ (Loss) for the Year		(10,340)	(4,984)
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		(10,340)	(4,984)
Earnings per equity share (face value of ₹ 10 each)			
Basic and Diluted (in ₹)	14	(0.16)	(0.08)
Significant Accounting Policies			
Notes to Financial Statements	1 to 23		

Reliance Innovative Building Solutions Private Limited

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountant

Firm Registration No : 101720W/W100355

Amit Chaturvedi

Partner

Membership No. 103141

Date : April 7, 2023

For and on behalf of the Board

Tarun Kumar Jhunjhunwala

Chairman

DIN - 02150455

Sudhakar Saraswatula

Director

DIN - 00001330

Ramesh Kumar Damani

Director

DIN - 00049764

Pooja Karia

Chief Financial Officer

Rajiv Sharma

Chief Executive Officer

Avani Gangapurkar

Company Secretary

Reliance Innovative Building Solutions Private Limited
Statement of Changes in Equity for the year ended 31st March, 2023

A. EQUITY SHARE CAPITAL

₹ in thousand

Balance as at 1st April, 2021	Changes during the year 2021-22	Balance as at 31st March, 2022	Changes during the 2022-23	Balance as at 31st March, 2023
6,46,940	-	6,46,940	-	6,46,940

B. OTHER EQUITY

₹ in thousand

Particulars	Reserves and Surplus Retained Earnings	Total
As on 31st March, 2023		
Balance at the beginning of the year i.e. 1st April, 2022	(5,73,447)	(5,73,447)
Total Comprehensive Income for the year	(10,340)	(10,340)
Balance at the end of the year i.e. 31st March, 2023	(5,83,787)	(5,83,787)
As on 31 March 2022		
Balance at the beginning of the year i.e. 1st April, 2021	(5,68,463)	(5,68,463)
Total Comprehensive Income for the year	(4,984)	(4,984)
Balance at the end of the year i.e. 31st March, 2022	(5,73,447)	(5,73,447)

Reliance Innovative Building Solutions Private Limited

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountant

Firm Registration No : 101720W/W100355

Amit Chaturvedi

Partner

Membership No. 103141

Date : April 7, 2023

For and on behalf of the Board

Tarun Kumar Jhunjhunwala

Chairman

DIN - 02150455

Sudhakar Saraswatula

Director

DIN - 00001330

Ramesh Kumar Damani

Director

DIN - 00049764

Pooja Karia

Chief Financial Officer

Rajiv Sharma

Chief Executive Officer

Avani Gangapurkar

Company Secretary

Reliance Innovative Building Solutions Private Limited
Cash Flow Statement for the year ended 31st March, 2023

Particulars	2022-23		₹ in thousand
			2021-22
A: CASH FLOW FROM OPERATING ACTIVITIES			
Profit/ (Loss) before Tax as per Statement of Profit and Loss		(10,340)	(4,984)
Adjusted for:			
Provision Writeback	-		(551)
Interest Income	(188)		(5)
Finance Costs	9,751		9,153
		<u>9,563</u>	<u>8,597</u>
Operating Profit/ (Loss) before Working Capital Changes		(777)	3,613
Adjusted for:			
Trade and Other Receivables	5,767		2,252
Trade and Other Payables	883		(6,920)
		<u>6,650</u>	<u>(4,668)</u>
Cash (used in) Operations		5,873	(1,055)
Taxes (Paid) / Refund (Net)		1,483	-
Net Cash flow from/ (used in) Operating Activities		7,356	(1,055)
B: CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		-	-
Net Cash flow from/ (used in) Investing Activities		-	-
C: CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Long Term Borrowings		3,000	1,30,000
Repayment of Long Term Borrowings		-	(1,21,300)
Interest Paid		(9,751)	(9,153)
		<u>(6,751)</u>	<u>(453)</u>
Net Cash flow from/ (used in) Financing Activities		(6,751)	(453)
Net (Decrease)/ Increase in Cash and Cash Equivalents		605	(1,508)
Opening Balance of Cash and Cash Equivalents		1,742	3,250
Closing Balance of Cash and Cash Equivalents (Refer Note "3")		2,347	1,742
Change in Liability arising from financing activity			
			₹ in thousand
	1 April 2022	Cash Flow	31 March 23
Borrowings - Non Current	1,30,000	3,000	1,33,000
			₹ in thousand
	1 April 2021	Cash Flow	31 March 22
Borrowings - Non Current	1,21,300	8,700	1,30,000

Reliance Innovative Building Solutions Private Limited

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountant

Firm Registration No : 101720W/W100355

Amit Chaturvedi

Partner

Membership No. 103141

Date : April 7, 2023

For and on behalf of the Board

Tarun Kumar Jhunjhunwala

Chairman

DIN - 02150455

Sudhakar Saraswatula

Director

DIN - 00001330

Ramesh Kumar Damani

Director

DIN - 00049764

Pooja Karia

Chief Financial Officer

Rajiv Sharma

Chief Executive Officer

Avani Gangapurkar

Company Secretary

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

A. CORPORATE INFORMATION

Reliance Innovative Building Solutions Private Limited ['the company'] is a limited company incorporated in India on October 10, 2007 having CIN U52100MH2007PTC174895. The address of its registered office is 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai 400002, India. The Company was a Joint Venture between Reliance Industrial Investments & Holdings Limited and SYNTHEON (Mauritius) Limited upto March 30, 2015. Subsequently it has become wholly owned subsidiary of Reliance Strategic Business Ventures Limited.

The projects of the company have been completed and the management has decided not to pursue any business in future, accordingly, the operations of the company have been terminated. The management has identified all existing fixed assets to be not in active use and has accordingly, transferred them to 'assets held for sale/disposal'. (Refer note no. 19)

B. ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except certain financial assets and liabilities measured at fair value.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

The Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest thousand (₹,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Leases:

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. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

(c) Cash and Cash Equivalent

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

(d) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(e) Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit or loss. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(g) Contingent Liabilities

Disclosure of contingent liability is made 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 embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(h) Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

-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 assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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 carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

(i) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped. Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

Interest income

Interest income from a financial asset is recognised using effective interest rate method.

(j) Financial instruments

(i) Financial Assets

A. Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at Amortised Cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

C. Impairment of Financial Assets

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(ii) Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized at fair value and in case of loans and borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of Financial Instruments

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

(k) Non-current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortised.

Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal and are presented separately in the Balance Sheet.

(l) Earning Per Share

Basic earnings per share is calculated by dividing the net profit after tax by weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. 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.

a) Recoverability Of Trade Receivables:

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

b) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

c) Impairment of Financial & Non-Financial Assets:

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

d) Recognition of Deferred Tax Assets and Liabilities:

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

e) Fair Value Measurement:

For estimates relating to fair value of financial instruments refer note 18 of financial statements.

D. STANDARDS ISSUED BUT NOT EFFECTIVE

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

Ind AS 101 – First-time Adoption of Indian Accounting Standards

Ind AS 102 – Share-based Payment

Ind AS 103 – Business Combinations

Ind AS 107 – Financial Instruments Disclosures

Ind AS 109 – Financial Instruments

Ind AS 115 – Revenue from Contracts with Customers

Ind AS 1 – Presentation of Financial Statements

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

Ind AS 12 – Income Taxes

Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

1 Other Non Current Assets (Unsecured and Considered Good)		As at 31st March, 2023	As at 31st March, 2022				
Security Deposits		250	150				
Advance Income Tax (Net of Provision)		301	1,784				
Total		551	1,934				
Advance Income Tax (Net of Provision)							
At the Start of the year		1,784	1,784				
Charge for the year - Current tax		-	-				
Tax paid/(Refund) during the year		(1,483)	-				
At end of the year		301	1,784				
2 Trade Receivables (Unsecured and Considered Good)		As at 31st March, 2023	As at 31st March, 2022				
Receivables from Related Parties		-	5,551				
Total		-	5,551				
2.1 Trade Receivables Ageing Schedule:							
As at 31st March, 2023		Outstanding for following periods from due date of payment					Total
Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
As at 31st March, 2022		Outstanding for following periods from due date of payment					Total
Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	-	5,551	-	-	-	5,551
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	5,551	-	-	-	5,551
3 Cash and Bank Balances		As at 31st March, 2023	As at 31st March, 2022				
Bank Balances:							
In Current Accounts		2,347	1,742				
Cash and Cash Equivalents as per Balance Sheet		2,347	1,742				
Cash and Cash Equivalents as per Statement of Cash Flow		2,347	1,742				
4 Other Financial (Current) Assets		As at 31st March, 2023	As at 31st March, 2022				
Fixed Deposit with Bank (Including Accrued but not due)		114	109				
		114	109				
5 Other Current Assets		As at 31st March, 2023	As at 31st March, 2022				
Balance with Statutory Authorities		64,804	64,699				
Others* (Refer note no 19)		1,29,742	1,29,980				
Total		1,94,546	1,94,679				

* Includes Assets held for Sale, Prepaid Expenses, Advances to vendors.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

6 Share Capital

	As at <u>31st March, 2023</u>	₹ in thousand As at <u>31st March, 2022</u>
Authorised Share Capital:		
6,60,00,000 Equity Shares of ₹ 10 each (6,60,00,000)	6,60,000	6,60,000
Total	<u>6,60,000</u>	<u>6,60,000</u>
Issued, Subscribed and Paid-Up Share Capital:		
6,46,93,950 Equity Shares of ₹ 10 each Fully Paid-up (6,46,93,950)	6,46,940	6,46,940
Total	<u>6,46,940</u>	<u>6,46,940</u>

(i) **The details of Shareholders holding more than 5% shares :**

Name of the Shareholders	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% held	No. of Shares	% held
Reliance Strategic Business Ventures Limited	6,46,93,950	100	6,46,93,950	100

(ii) **Shareholding of Promoters**

Sr No	Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% change during the year
As at 31st March, 2023							
1	Equity shares of ₹ 10 each Fully paid-up	Reliance Strategic Business Ventures Limited	6 46 93 950	-	6 46 93 950	100%	-
As at 31st March, 2022							
1	Equity shares of ₹ 10 each Fully paid-up	Reliance Strategic Business Ventures Limited	6 46 93 950	-	6 46 93 950	100%	-

(iii) **The reconciliation of the number of shares outstanding is set out below :**

Particulars	As at <u>31st March, 2023</u> No. of shares	As at <u>31st March, 2022</u> No. of shares
Equity Shares at the beginning of the year	6,46,93,950	6,46,93,950
Add: Equity Shares issued during the year	-	-
Equity Shares at the end of the year	<u>6,46,93,950</u>	<u>6,46,93,950</u>

(iv) **Terms/ rights attached to equity shares**

The company has only one class of equity share having par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed (if any) by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, in proportion to the number of equity shares held.

(v) **The above equity shares 6,46,93,950 are held by Reliance Strategic Business Ventures Limited, the Holding Company.****7 Other Equity**

	As at <u>31st March, 2023</u>	₹ in thousand As at <u>31st March, 2022</u>
Retained Earnings		
As per Last Balance Sheet	(5,73,447)	(5,68,463)
Add: Profit (Loss) for the year	(10,340)	(4,984)
Total	<u>(5,83,787)</u>	<u>(5,73,447)</u>

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

8 Borrowings - Non Current

	As at 31st March, 2023	₹ in thousand As at 31st March, 2022
Unsecured		
From Others*	1,33,000	1,30,000
Total	<u>1,33,000</u>	<u>1,30,000</u>

* Unsecured Borrowings taken from Siddhant Commercial Private Limited, repayable in more than 1 year.

Note: The National Company Law Tribunal, Ahmedabad, vide order dated 13th March, 2023 approved a Composite Scheme of arrangement ("Scheme") between Siddhant Commercial Private Limited (SCPL) and Teesta Retail Private Limited (TRPL), which interalia, provided for Amalgamation (merger) of TRPL with SCPL from the appointed date i.e. 31st March, 2023.

* Interest Rate is 7.50% during the year.

9 Trade Payables due to:-

	As at 31st March, 2023	₹ in thousand As at 31st March, 2022
Micro and Small Enterprises*	-	-
Other than Micro and Small Enterprises	428	451
Total	<u>428</u>	<u>451</u>

* There are no amounts outstanding to Micro and Small Enterprises as at March 31, 2023.

9.1 Trade Payables ageing Schedule:

As at 31st March, 2023							₹ in thousand
Particulars	Not Due	Outstanding for following periods from due date of payment				Total	
		< 1 year	1-2 years	2-3 years	> 3 years		
MSME	-	-	-	-	-	-	
Others	274	89	65	-	-	428	
Disputed dues-MSME	-	-	-	-	-	-	
Disputed dues-Others	-	-	-	-	-	-	
Total	<u>274</u>	<u>89</u>	<u>65</u>	<u>-</u>	<u>-</u>	<u>428</u>	

As at 31st March, 2022							₹ in thousand
Particulars	Not Due	Outstanding for following periods from due date of payment				Total	
		< 1 year	1-2 years	2-3 years	> 3 years		
MSME	-	-	-	-	-	-	
Others	222	65	124	40	-	451	
Disputed dues-MSME	-	-	-	-	-	-	
Disputed dues-Others	-	-	-	-	-	-	
Total	<u>222</u>	<u>65</u>	<u>124</u>	<u>40</u>	<u>-</u>	<u>451</u>	

10 Other Current Liabilities

	As at 31st March, 2023	₹ in thousand As at 31st March, 2022
Others #	977	71
Total	<u>977</u>	<u>71</u>

Includes statutory liabilities.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

11 Other Income	<u>2022-23</u>	₹ in thousand <u>2021-22</u>
Other Non-Operating Income		
Rental Income	-	4,700
Interest Income	188	5
Others	-	551
	<u>188</u>	<u>5,256</u>
Total	<u>188</u>	<u>5,256</u>
12 Finance Costs	<u>2022-23</u>	₹ in thousand <u>2021-22</u>
Interest Cost	9,751	9,153
	<u>9,751</u>	<u>9,153</u>
Total	<u>9,751</u>	<u>9,153</u>
13 Other Expenses	<u>2022-23</u>	₹ in thousand <u>2021-22</u>
Establishment Expenses		
Rent including Lease Rentals	-	399
Insurance	205	206
Payment to Auditors (Refer Note no 13.1)	101	100
Professional Fees	314	335
General Expenses	157	47
	<u>777</u>	<u>1,087</u>
Total	<u>777</u>	<u>1,087</u>
13.1 Payment to auditors :	<u>2022-23</u>	₹ in thousand <u>2021-22</u>
Statutory Audit Fees	70	60
Certification Fees	31	40
	<u>101</u>	<u>100</u>
Total	<u>101</u>	<u>100</u>
14 Earning Per Share (EPS)	<u>2022-23</u>	<u>2021-22</u>
(i) Face Value per Equity Share (₹)	10.00	10.00
(ii) Basic & Diluted Earning per Share (₹)	(0.16)	(0.08)
(iii) Net Profit (Loss) as per Statement of Profit & Loss attributable to Equity Shareholders (₹ in thousand)	(10,340)	(4,984)
(iv) Weighted average number of equity shares (Used as Denominator for calculating Basic & Diluted EPS)	6,46,93,950	6,46,93,950

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

15 As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationship:

<u>Name of the Related Party</u>	<u>Relationship</u>
Reliance Industries Limited	Ultimate Holding Company
Reliance Strategic Business Ventures Limited	Holding Company
Reliance Retail Limited	Fellow Subsidiary Company

(ii) Disclosure in respect of Related Party Transactions during the Year:

Particulars	₹ in thousand	
	<u>2022-23</u>	<u>2021-22</u>
Lease rent received from Reliance Retail Limited	-	4,700
Interest payment to Reliance Strategic Business Ventures Limited	-	9,153
Professional Fees Paid to Reliance Industries Limited	135	101

Balances	As at	
	<u>31st March, 2023</u>	<u>31st March, 2022</u>
Trade Receivables		
Reliance Retail Limited	-	5,551
Trade Payables		
Reliance Industries Limited	164	183

Note: Figures in italic represent Previous Year's amounts.

16 **Contingent Liabilities and Commitments**

There is no Contingent Liability and has no contracts remaining to be executed on capital account.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

17 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The company manages its capital structure and make adjustment in light of changes in business condition. The overall strategy remains unchanged as compared to last year.

Gearing Ratio Particulars	₹ in thousand	
	As at 31st March, 2023	As at 31st March, 2022
Debt	1,33,000	1,30,000
Less: Cash and Bank Balance (including Liquid investment)	(2,347)	(1,742)
Net Debt	1,30,653	1,28,258
Total Equity	63,153	73,493
Net debt to Equity ratio	207%	175%

18 Financial Instruments

All financial assets and financial liabilities are measured at amortised cost. Consequently, application of fair value accounting and the related disclosure is not applicable.

A. Fair Value Measurement Hierarchy

₹ in thousand

Particulars	31st March, 2023				31st March, 2022			
	Carrying Amount	Levels of Input used in			Carrying Amount	Levels of Input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost								
Trade Receivables	-	-	-	-	5,551	-	-	-
Cash and Cash Equivalents	2,347	-	-	-	1,742	-	-	-
Other Financial Assets	114	-	-	-	109	-	-	-
Financial Liabilities								
At Amortised Cost								
Borrowings	1,33,000	-	-	-	1,30,000	-	-	-

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises from company's activities in investments, dealing in derivatives and receivables from customers. The Company ensure that sales of products are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

Liquidity Risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

Market Risk

Interest Rate Risk

Fluctuation in future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107.

Please refer to interest rate exposure profile appended in table below

Particulars	₹ in thousand	
	As at	As at
	31st March, 2023	31st March, 2022
Long Term Fixed Rate	1,33,000	1,30,000

The Rate of interest is linked to bank MCLR and remains fixed till next date.

19 The projects of the company have been completed and the management has decided not to pursue any business in future, accordingly, the operations of the company has terminated.

The management has identified all existing fixed assets to be not in active use and has accordingly, transferred them to 'assets held for sale/disposal'. ₹1,29,714 thousand (previous year ₹1,29,714 thousand) representing the net book value (less of impairment provision) of the idle assets identified, have been disclosed under 'assets held for sale/disposal' to reflect the estimated recoverable amount of fixed assets based on valuation of plant and machineries and best estimates by management for rest of fixed assets. The management is firming up the plan to sell these assets. In view of the above, no depreciation has been charged to the Statement of profit and loss.

20 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

21 Ratio Analysis

Sr. No.	Particulars	2022-23	2021-22	% Change
1	Current Ratio ^a	140.18	386.76	(63.76)%
2	Debt-Equity Ratio	2.11	1.77	19.06%
3	Debt Service Coverage Ratio ^b	(0.06)	0.03	(289.01)%
4	Return on Equity Ratio ^c	(15.13)%	(6.56)%	(130.70)%
5	Inventory Turnover Ratio	Not Applicable	Not Applicable	Not Applicable
6	Trade Receivables Turnover Ratio	Not Applicable	Not Applicable	Not Applicable
7	Trade Payables Turnover Ratio ^d	1.77	0.36	393.43%
8	Net Capital Turnover Ratio	Not Applicable	Not Applicable	Not Applicable
9	Net Profit Ratio	Not Applicable	Not Applicable	Not Applicable
10	Return on Capital Employed ^e	(0.39)%	2.09%	(118.79)%
11	Return on Investment ^f	9.20%	0.22%	4095.76%

Notes:-

- a Current Ratio decreased due to decrease in Current Assets.
- b Debt Service Coverage Ratio decreased on account of increase in Loss before interest expense.
- c Return on Equity Ratio decreased due to increase in Loss.
- d Trade Payables Turnover Ratio increased due to reduction in average trade payables.
- e Return on Capital Employed reduced due increase in Loss during the year.
- f Return on Investment increased due to increase in other income.

21.1 Formula for Computation of Ratios are as Follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Net Worth}}$
9	Net Profit Ratio	$\frac{\text{Profit/(Loss) after tax(after exceptional items)}}{\text{Value of sales \& Services}}$

Reliance Innovative Building Solutions Private Limited
Notes to the Financial Statements for the year ended 31st March, 2023

Sr. No.	Particulars	Formula
10	Return on Capital Employed (Excluding Working Capital financing)	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed**}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend and Rental Income)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities}}$

**Capital employed includes Equity, Borrowings, Deferred Tax Liabilities, Creditors for Capital Expenditure and reduced by Investments, Cash and Cash Equivalents, Capital Work-in-Progress and Intangible Assets under Development.

22 OTHER STATUTORY INFORMATION:

(i) There are no balances outstanding with struck off companies as per section 248 of the Companies Act, 2013.

(ii) The Company have 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.

(iii) The Company have 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.

(iv) The Company have not any such 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.

23 APPROVAL OF FINANCIAL STATEMENTS

The Financial statements were approved for issue by the Board of Directors on April 7, 2023.

Reliance Innovative Building Solutions Private Limited

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountant

Firm Registration No : 101720W/W100355

Amit Chaturvedi

Partner

Membership No. 103141

Date : April 7, 2023

For and on behalf of the Board

Tarun Kumar Jhunjhunwala

Chairman

DIN - 02150455

Sudhakar Saraswatula

Director

DIN - 00001330

Ramesh Kumar Damani

Director

DIN - 00049764

Pooja Karia

Chief Financial Officer

Rajiv Sharma

Chief Executive Officer

Avani Gangapurkar

Company Secretary