

Independent Auditor's Report

To the Members of Innovent Spaces Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Innovent Spaces Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Management's and Board of Directors Responsibilities for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and cash flows 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Registered Office

Independent Auditor's Report (Continued)

Innovent Spaces Private Limited

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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. 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.



Independent Auditor's Report (Continued)

Innovent Spaces Private Limited

- 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, except that the Company does not maintain logs for the daily back-up of such books of account and other relevant books and papers, which are kept in servers physically located in India..
 - c. The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 34(e) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.
 - (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 34(e) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. The Company has neither declared nor paid any dividend during the year.
 - f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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Independent Auditor's Report (Continued)

Innovent Spaces Private Limited

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248WW-100022



Praveen Kumar Jain

Partner

Place: Bangalore

Date: 29 September 2023

Membership No.: 079893

ICAI UDIN:23079893BGYQWT8540

Annexure A to the Independent Auditor's Report on the Financial Statements of Innovent Spaces Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (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.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) ~~According to the information and explanations given to us and on the basis of our examination~~ of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering business of one-stop managed office space services including soft services and supply of various consumables, including IT products, office stationery and supplies, food and beverages etc. on a just-in-time need basis of the customers. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

(Amount in Lakhs)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Whether return/statement subsequently rectified
30 September 2022	Axis Bank	Stock and Book debt statement	2,537.31	2,564.81	27.50	Yes
31 December 2022	Axis Bank	Stock and Book debt statement	3,440.16	3,434.74	(5.42)	Yes

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Annexure A to the Independent Auditor's Report on the Financial Statements of Innovent Spaces Private Limited for the year ended 31 March 2023 (Continued)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Whether return/statement subsequently rectified
31 March 2023	Axis Bank	Stock and Book debt statement	4,698.03	4,621.76	(76.27)	Yes

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company 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 partnership or any other parties during the year.~~ The Company has made investments in companies, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has neither provided loans nor provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Accordingly, clause (iii) (a), (iii) (c), (iii) (d), (iii) (e) and (iii) (f) of the Order are not applicable.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. Further, as mentioned in (a) above, the Company has neither provided loans nor advances in the nature of loans, or stood guarantee, or provided security to any other entity.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income-Tax,

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Annexure A to the Independent Auditor's Report on the Financial Statements of Innovent Spaces Private Limited for the year ended 31 March 2023 (Continued)

Goods and Service Tax and other statutory dues. As explained to us, the Company did not have any dues on account of Duty of Customs and Employees State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the Information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a 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 to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used funds raised on short-term basis for long-term purposes except with respect to negative working capital position arising on account of trade payable and creditor for capital goods balance amounting to Rs. 11,346.99 lakhs. The Company has invested the money in property, plant and equipments..
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any private placement of shares or fully or partly convertible debentures during the year. In our opinion, in respect of preferential allotment of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (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 the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

Annexure A to the Independent Auditor's Report on the Financial Statements of Innovent Spaces Private Limited for the year ended 31 March 2023 (Continued)

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, 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 of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
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- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the

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B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements
of Innovent Spaces Private Limited for the year ended 31 March 2023
(Continued)**

Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Praveen Kumar Jain

Partner

Place: Bangalore

Date: 29 September 2023

Membership No.: 079893

ICAI UDIN:23079893BGYQWT8540

Annexure B to the Independent Auditor's Report on the financial statements of Innovent Spaces Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Innovent Spaces Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

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Annexure B to the Independent Auditor's Report on the financial statements of Innovent Spaces Private Limited for the year ended 31 March 2023 (Continued)

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248WW-100022



Praveen Kumar Jain

Partner

Place: Bangalore

Date: 29 September 2023

Membership No.: 079893

ICAI UDIN:23079893BGYQWT8540

Innovent Spaces Private Limited
 CIN: U45400K42015PTC133523
Balance Sheet as at 31 March 2023

(All amounts in Lakhs except share data and per share data, and unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	119.31	102.02
Reserves and surplus	3	27,935.22	3,036.48
		28,054.53	3,138.50
Share application money pending allotment		-	9,919.98
Non-current liabilities			
Long-term borrowings	4	7,506.23	4,292.34
Other long-term liabilities	5	19,796.26	12,117.57
Long-term provisions	6	478.45	382.42
		27,780.94	16,792.33
Current liabilities			
Short-term borrowings	7	4,920.74	3,399.33
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises: and		982.55	808.73
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,776.22	2,404.38
Other current liabilities	9	17,528.03	16,056.51
Short-term provisions	10	98.83	104.88
		25,306.37	22,773.83
TOTAL		81,141.84	52,624.64
ASSETS			
Non-current assets			
Property, plant and equipment and intangible assets			
Property, plant and equipment	11	40,532.03	25,376.97
Intangible assets	11	406.49	159.36
Capital work-in-progress	11	2,113.10	2,166.55
Intangible assets under development	11	284.78	420.36
Non-current investments	12	96.49	210.00
Long-term loans and advances	13	6,397.16	4,054.18
Deferred tax assets (Net)	31	-	-
Other non-current assets	14	19,500.43	13,547.79
		69,330.48	45,935.21
Current assets			
Trade receivables	15	3,362.69	2,740.12
Cash and cash equivalent:	16	1,046.17	34.18
Short-term loans and advances	17	5,566.70	2,910.80
Other current assets	18	1,835.80	1,004.33
		11,811.35	6,689.43
TOTAL		81,141.84	52,624.64

Significant accounting policies 1

The accompanying notes are an integral part of the financial statements

As per our report attached of even date

for **BSR & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022



Praveen Kumar Jain

Partner

Membership No: 079893

Place: Bengaluru

Date: 29 September 2023

for and on behalf of the Board of Directors of
Innovent Spaces Private Limited



Rishi Das

Director

DIN - 00420103

Place: Bengaluru

Date: 29 September 2023



Meghna Agarwal

Director

DIN - 006944181

Place: Bengaluru

Date: 29 September 2023



Anshuman Das

Director

DIN - 00420772

Place: Bengaluru

Date: 29 September 2023



Innovent Spaces Private Limited

CIN: U45400KA2015PTC133523

Statement of Profit and Loss for the year ended 31 March 2023*(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)*

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
INCOME			
Revenue from operations	19	59,240.66	35,143.22
Other income	20	281.94	175.41
Total income		59,522.60	35,318.63
EXPENSES			
Purchases of traded goods		2,894.87	1,077.82
Employee benefits expense	21	4,324.37	3,049.24
Finance costs	22	1,087.32	2,360.35
Depreciation and amortisation expense	11	5,545.45	3,873.78
Other expenses	23	43,607.58	26,839.71
Total expenses		57,459.59	37,200.90
Profit / (Loss) before tax		2,063.01	(1,882.27)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) after tax		2,063.01	(1,882.27)
Earnings per equity share [Face value of share Rs 1 each (Previous year Rs 1 each)]:			
Basic (in Rs)		113.01	(114.45)
Diluted (in Rs)		80.48	-

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report attached of even date

for **BSR & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

**Praveen Kumar Jain**

Partner

Membership No: 079893

Place: Bengaluru

Date: 29 September 2023

for and on behalf of the Board of Directors of
Innovent Spaces Private Limited**Rishi Das**

Director

DIN - 00420103

Place: Bengaluru

Date: 29 September 2023

**Meghna Agarwal**

Director

DIN - 06944181

Place: Bengaluru

Date: 29 September 2023

**Anshuman Das**

Director

DIN - 00420772

Place: Bengaluru

Date: 29 September 2023



Innovent Spaces Private Limited

CIN: U45400KA2015PTC133523

Cash flow statement for the year ended 31 March 2023

(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit / (Loss) before tax	2,063.01	(1,882.27)
Adjustments for:		
Depreciation and amortisation expense	5,545.45	3,873.78
Reversal of provision for impairment of Property, plant and equipment	-	(58.80)
Provision for doubtful debts	648.59	(59.31)
Property, plant and equipment written off	-	23.03
Profit on redemption of investments	(88.12)	(25.83)
Interest income	(0.10)	-
Deposits written off	-	20.31
Provision for doubtful advances and deposits	220.41	423.24
Provision for doubtful advances	-	-
Finance costs	1,087.32	2,360.35
Provision for employee stock compensation expense (refer note 32)	353.10	-
Lease equalisation on rental expenses	603.80	77.38
Loss on sale off of property, plant and equipment and other intangible assets (net)	-	5.68
Lease equalisation on rental income	(900.30)	267.81
Operating cash flow before working capital changes	9,533.16	5,025.37
Changes in working capital		
Increase in trade receivables	(1,271.16)	(185.02)
Decrease / (increase) in loans and advances and other assets	(9,899.99)	(3,398.57)
(Decrease) / increase in trade payables	(468.78)	151.90
(Decrease) / increase in other liabilities and provisions	8,538.21	3,354.94
Cash generated from operations	6,431.44	4,948.62
Income taxes paid (net)	(1,084.85)	(517.88)
Net cash generated from operating activities	5,346.60	4,430.74
Cash flow from investing activities		
Purchase of fixed assets (tangible and intangible fixed assets, capital work-in-progress, intangible assets under development) and capital advances	(20,778.68)	(4,223.98)
Proceeds from sale of property plant and equipment	-	1.57
Purchase of other investments	-	(210.00)
Investment in equity shares of unlisted company	(96.49)	-
Proceeds from sale of investments in mutual funds	298.12	241.89
Net cash used in investing activities	(20,577.05)	(4,190.51)
Cash flow from financing activities		
Proceeds from long-term borrowings	8,639.15	16,655.79
Repayment of long-term borrowings*	(4,823.04)	(14,308.29)
Proceeds from short-term borrowings (net)	919.20	9.43
Proceeds from issue of preference shares	10,099.91	-
Proceeds from issue of equity shares	2,480.01	-
Finance costs paid	(1,072.88)	(2,817.03)
Net cash generated from / (used in) financing activities	16,242.35	(460.10)
Net increase / (decrease) increase in cash and cash equivalents	1,011.89	(219.87)
Cash and cash equivalents at the beginning of the year	32.34	252.21
Cash and cash equivalents at the end of the year (refer note 16)	1,044.23	32.34
Note:		
Components of cash and cash equivalents (refer note 16)		
Cash in hand	4.90	9.79
Balances with banks	1,039.33	22.55
	1,044.23	32.34

(* Includes borrowing which has been converted into share application money pending allotment of Rs. Nil (31 March 2022: Rs 9,919.98)

Significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report attached of even date

for **BSR & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022



Raveen Kumar Jain

Partner

Membership No. 079893

Place: Bengaluru

Date: 29 September 2023

for and on behalf of the Board of Directors of

Innovent Spaces Private Limited



Rishi Das

Director

DIN - 00420103

Place: Bengaluru

Date: 29 September 2023



Meghna Agarwal

Director

DIN - 05944181

Place: Bengaluru

Date: 29 September 2023



Anshuman Das

Director

DIN - 00420772

Place: Bengaluru

Date: 29 September 2023



Innovent Spaces Private Limited

CIN: U45400KA2015PTC133523

Notes to financial statements

(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)

1 Significant accounting policies

1.1 Background

Innovent spaces Private Limited ("the Company") was incorporated on 14 January 2015 as a private limited company. The Company has its registered office at Bengaluru, Karnataka. The Company is primarily engaged in the business of one-stop managed office space services including soft services and supply of various consumables, including IT products, office stationery and supplies, food and beverages etc. on a just-in-time need basis of the customers.

1.2 Basis of preparation of financial statements

These financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act.

As per amendment to schedule III division 1 of the Act, the financial statements are prepared and presented in Indian Rupees rounded off in lakhs unless otherwise stated.

1.3 Going concern

The Company's performance has improved significantly over the last couple of years. There has been capital infusion during the current year resulting in improvement in net worth of the Company when compared to previous year, though the current liabilities continue to exceed the current assets as at 31 March 2023. The projections for the next year indicates that the Company will continue to earn profits in the next year.

Based on approved business plans, availability of funding limits, secure new financing facilities / replace existing facilities and their ability to raise funds, etc. management believes that the Company will be able to continue to generate sufficient cash to meet its obligations as and when they fall due. These financial statements, do not, therefore, include any adjustments relating to recoverability and classification of assets / liabilities and accordingly, the assumption of going concern is considered appropriate in the preparation of these financial statements.

1.4 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

1.5 Current/Non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle,
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle,
- it is held primarily for the purpose of being traded,
- it is due to be settled within 12 months after the reporting date; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

1.6 Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months.

1.7 Inventories

The Company procures inventory from its vendors and immediately sells these to its customers, who are generally the tenants. Such goods are procured, primarily, upon receiving orders from its customers and therefore, physical possession of the inventory is never held by the Company, though the risks and rewards associated with such inventory are bestowed upon the Company for a short while. The sale and purchase of such goods is recognized at the transaction price, in the ordinary course of business at the point when the property in goods is effectively transferred from the vendors to the Company and from the Company to the customers respectively. Such recognition is exclusive of goods and service tax, and is net of returns, trade discounts and quantity discounts, if any.

1.8 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a) Rental income

Rental income from property leased under operating lease is recognized in the statement of profit and loss on a straight-line basis over the lock-in period of the leases. Lease incentives and other charges like maintenance and electricity charges granted are recognized as an integral part of the total rental income. Fees for other services are recognised as per the contractual terms when the services are provided.

b) Sale of goods

Revenue from sale of goods in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue is exclusive of goods and service tax, and is net of returns, trade discounts and quantity discounts.

c) Overages

Overages consist of other chargeable services like rent of conference room, parking charges, and allied activities. Income from overages is recognised in the statement of Profit and Loss when the services are provided.

d) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income from investments is recognised when the shareholder's right to receive payment has been established and gain/loss is recognised on redemption of the investments.

e) Liquidated damages

Liquidated damages are recognised on termination of the lease by the customer during the lock-in period in accordance with the terms of agreement.



R D Das

Meghna
MA

Anshuman Das
AD

Innovent Spaces Private Limited

CIN: U45400KA2015PTC133523

Notes to financial statements (Continued)

(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)

1.9 Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation. The cost of property, plant and equipment includes freight, duties, taxes (excluding the refundable taxes) and other incidental expenses related to the acquisition or construction of the respective assets.

Cost incurred includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Borrowing costs directly attributable to acquisition or construction of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are expensed as incurred.

Amount paid towards acquisition or construction of fixed asset until the date of capitalisation are shown as capital work in progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date and the cost of the property, plant and equipment not ready for their intended use before such date, are disclosed as capital advance.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

b) Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over the useful life and in the manner prescribed in Schedule III to the Act. And the asset value which is lessor than Rs 5000, will be depreciated fully. However, where the management's estimate of the remaining useful life of the assets on a review subsequent to the time of acquisition is different, then depreciation is provided over the remaining useful life based on the revised useful life.

Pursuant to this policy, Management's estimates of useful life of the following assets are as follows:

Asset Category	Estimated useful life	Useful life as per Schedule III
Leasehold improvements (building)	10 years	Lease term
Plant and machinery	10 years	10 years
Furnitures and fixtures	10 years	10 years
Computers	3 years	3 years
Vehicles	8 years	8 years
Office equipments	5 years	5 years

Pro-rata depreciation is provided on all property, plant and equipment purchased or sold during the year.

1.10 Intangible assets

Intangible assets are recorded at their acquisition cost less accumulated amortisation. Computer software and Trademarks and Copyrights are amortised over 3 years.

Intangible assets under development pertains to development of internally generated software for the operations of the Company. Cost of the asset is recognised only with respect to the cost of the development stage upon fulfilling of the criteria's referred to in the provisions of Accounting Standard - 26. Cost pertaining to preliminary stage (research phase) has been charged off to statement of profit and loss.

1.11 Impairment of assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

1.12 Foreign exchange transactions

Foreign exchange transactions are recorded in Indian rupees at the rates of exchange prevailing on the dates of the respective transactions. Exchange difference arising on foreign exchange transactions settled during the year are recognised in the profit and loss account for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognised in the profit and loss account. Non-monetary items are measured in terms of historical cost denominated in a foreign currency and are reported using the exchange rate at the date of transactions.

1.13 Taxation

Income-tax expense comprises of current tax (i.e. amount of tax for the year determined in accordance with Indian Income tax laws) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Current Tax

Current Tax is determined at the amount of tax payable in respect of taxable income for the year as per the Income-tax Act, 1961. Current tax asset and current tax liability are offset only when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on net basis.

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Meghna



Innovent Spaces Private Limited

CIN: U45400KA2015PTC133523

Notes to financial statements (Continued)

(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)

Minimum Alternate Tax (MAT)

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred Tax

Deferred Tax Assets and Liabilities are recognised for the future tax consequences of timing differences between the book profit and tax profit. Deferred Tax Assets and Liabilities, other than on carry forward losses and unabsorbed depreciation under tax laws, are recognised when it is reasonably certain that there will be future taxable income. Deferred Tax Asset on carry forward losses and unabsorbed depreciation, if any, is recognised when it is virtually certain supported by convincing evidence that sufficient future taxable income will be available.

Deferred Tax Assets/ Liabilities are reviewed as at each balance sheet date and written-down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Deferred Tax Assets and Liabilities are measured using substantively enacted tax rates. The effect on Deferred Tax Assets and Liabilities of a change in tax rates is recognised in the statement of profit and loss in the period of substantive enactment of the change.

Tax impact of timing difference which arise during the tax holiday period are recognised only to the extent of those differences which are reversed after the tax holiday period.

1.14 Provisions

The Company recognises a provision when there is a present obligation as a result of a past obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

1.15 Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

1.16 Cash flow statement

Cash flow statement is reported using the indirect method whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows arising from operating, investing and financing activities of the company are segregated.

1.17 Earnings / (loss) per share

The basic earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

1.18 Employee benefits

a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

b) Defined benefit plans

Gratuity: The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities/bonds as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the profit and loss account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

c) Compensated Absences

Benefits under the Company's compensated absences scheme constitute other long term employee benefits. The obligation in respect of compensated absences is provided on the basis of an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plan, is based on the market yields as at balance sheet date on Government securities, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the statement of profit and loss. To the extent the Company does not have an unconditional right to defer the utilization or encashment of the accumulated compensated absences, the liability determined based on actuarial valuation is considered to be a current liability.

d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit and loss in the periods during which the related services are rendered by employees.

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Innovent Spaces Private Limited

CIN: U45400KA2015PTC133523

Notes to financial statements (Continued)

(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)

1.19 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

For operating leases, lease payments (excluding cost for services, such as insurance and maintenance) are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term. The lease term is the non-cancellable period for which the sub-lessee has agreed to take on lease the asset together with any further periods for which the sub-lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the sub-lease it is reasonably certain that the sub-lessee will exercise.

1.20 Initial direct costs

Initial direct costs incurred specifically to earn revenues from an operating lease are recognised as an expense in the statement of profit and loss over the lock-in period of the leases.

1.21 Cash and cash equivalents

Cash and cash equivalents include cash in hand and balance in bank in current accounts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.22 Segment reporting

The primary reporting of the Company has been performed on the basis of business segments. The Company's sole business segment is sub-leasing of managed office spaces, as a service, of fully or partly equipped premises and provides a unique 'one-stop' experience to clients, its principal geographical segment is India. Accordingly, the amounts appearing in these financial statements relate to this primary business segment. Further, the Company generates its income only in India and accordingly, no disclosures are required under secondary segment reporting.

1.23 Employee share based payments

The Company has created a stock options pool of its own shares for the employees of the Company. The Company measures and discloses such cost using intrinsic value method. The compensation cost is amortized over the vesting period of the stock option on a straight line basis.

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

1.24 Investments

Investments are assets held by an enterprise for earning income by way of dividends, interest, and rentals, for capital appreciation, or for other benefits to the investing enterprise. A current investment is an investment that is by its nature readily realisable and is intended to be held for not more than one year from the date on which such investment is made. A long term investment is an investment other than a current investment. The carrying amount for current investments is the lower of cost and fair value and any adjustment is passed to Statement of Profit and Loss.

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Innovent spaces Private Limited

CIN: U15400DL2015PC118524

Notes to financial statements (continued)

All figures are in Lakhs, except share data, except share data and unless otherwise stated

2. Share capital

Particulars	As at	
	31 March 2023	31 March 2022
Authorised capital		
70,00,000 (31 March 2022) 70,00,000 shares of Re. 1 each) equity shares of Re 1 each	70.00	70.00
9,00,000 (31 March 2022) 9,00,000 shares of Re. 10 each) 0.001% Series A compulsorily convertible preference shares of Rs. 10 each	90.00	90.00
7,00,000 (31 March 2022) 7,00,000 shares of Rs. 10 each) 0.001% Series B compulsorily convertible preference shares of Rs. 10 each	70.00	70.00
Issued, subscribed and fully paid up		
18,33,572 (31 March 2022) 16,44,608 shares of Re. 1 each) equity shares of Re. 1 each	18.34	16.44
8,55,792 (31 March 2022) 8,55,792 shares of Rs. 10 each) 0.001% Series A compulsorily convertible preference shares of Rs. 10 each	85.58	85.58
1,53,913 (31 March 2022) Nil) 0.001% Series B compulsorily convertible preference shares of Rs. 10 each	15.39	-
	119.31	102.02

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at		As at	
	31 March 2023		31 March 2022	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	16,44,608	16.45	16,44,608	16.45
Issued during the year	1,88,964	1.89	-	-
At the end of the year	18,33,572	18.34	16,44,608	16.45

Reconciliation of 0.001% Series A compulsorily convertible preference shares outstanding at the beginning and at the end of the reporting year

	As at		As at	
	31 March 2023		31 March 2022	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	8,55,792	85.58	8,55,792	85.58
Issued during the year	-	-	-	-
At the end of the year	8,55,792	85.58	8,55,792	85.58

Reconciliation of 0.001% Series B compulsorily convertible preference shares outstanding at the beginning and at the end of the reporting year

	As at		As at	
	31 March 2023		31 March 2022	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	-	-	-	-
Issued during the year	1,53,913	15.39	-	-
At the end of the year	1,53,913	15.39	-	-

(b) Equity shareholders holding more than 5% of shares along with the number of shares held at the end of the year is as given below:

Name of the share holder	As at		As at	
	31 March 2023		31 March 2022	
	No of shares	% of holding	No of shares	% of holding
Equity shares, fully paid				
Rishi Das	4,08,312	22.27%	4,08,312	24.83%
Meghna Agarwal	4,08,312	22.27%	4,08,312	24.83%
Anshuman Das	8,16,624	44.54%	8,16,624	49.65%
Carceron Technologies Private Limited	1,33,312	7.27%	-	0.00%

(c) Compulsorily convertible preference shareholders series A holding more than 5% of shares along with the number of shares held at the end of the year is as given below:

Name of the share holder	As at		As at	
	31 March 2023		31 March 2022	
	No of shares	% of holding	No of shares	% of holding
0.001% Compulsorily Convertible Preference shares, fully paid				
Aravali Investment Holdings	8,37,200	97.83%	8,37,200	97.83%

(d) Compulsorily convertible preference shareholders series B holding more than 5% of shares along with the number of shares held at the end of the year is as given below:

Name of the share holder	As at		As at	
	31 March 2023		31 March 2022	
	No of shares	% of holding	No of shares	% of holding
0.001% Compulsorily Convertible Preference shares, fully paid				
WestBridge AIF I	1,50,064	97.50%	-	-

(e) Share holding of promoters as at 31 March 2023

Promoter name	As at		As at		% Change during the year
	31 March 2023		31 March 2022		
	No. of shares	% of total shares	No. of shares	% of total shares	
Rishi Das	4,08,312	22.27%	4,08,312	24.83%	-2.56%
Meghna Agarwal	4,08,312	22.27%	4,08,312	24.83%	-2.56%
Anshuman Das	8,16,624	44.54%	8,16,624	49.65%	-5.12%
Total	16,33,248	89.07%	16,33,248	99.31%	-10.24%

Share holding of promoters as at 31 March 2022

Promoter name	As at		As at		% Change during the year
	31 March 2022		31 March 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Rishi Das	4,08,312	24.83%	6,57,744	39.99%	-15.17%
Meghna Agarwal	4,08,312	24.83%	1,58,880	9.66%	15.17%
Anshuman Das	8,16,624	49.65%	8,16,624	49.65%	0.00%
Total	16,33,248	99.31%	16,33,248	99.31%	0.00%

(f) Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestment:

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Under Employee Stock Option Scheme, 2022 57,200 equity shares of Re. 1 each at an exercise price of Rs 6,729.95 per share	57,200	0.57	-	-
For compulsorily convertible cumulative preference shares 5,84,048 equity shares of Re. 1 each (also refer to rights, preferences and restrictions attached to preference shares)	5,84,048	5.84	5,84,048	5.84
1,53,913 equity shares of Re. 1 each (also refer to rights, preferences and restrictions attached to preference shares)	1,53,913	1.54	-	-



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Innovent Spaces Private Limited

CIN: U45400K12013PTC153523

Notes to financial statements (continued)

(All amounts in Lakhs, except share data and per share data and unless otherwise stated)

(g) The rights, preferences and restrictions attached to equity shares

The Company has only one class of share referred to as equity shares having par value of Re 1 each holder of the equity share as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting.

The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company has not declared any dividends during the current and the previous year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(h) The rights, preferences and restrictions attached to 0.001% compulsorily convertible preference shares

The company has series A and series B compulsorily convertible preference shares having face value of Rs 10 per share which is fully paid up. The series A and series B compulsorily convertible preference shareholders are eligible for one vote per share held and are entitled to a preferential dividend at the rate of 0.001% per annum and are cumulative and shall accrue from year to year whether or not paid, and accrued dividends shall be paid in full (together with dividends accrued from prior years) and in preference to any dividend or distribution payable upon shares of any other class or series in the same fiscal year. In the event of liquidation, the series A and series B compulsorily convertible preference shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding. The series A and series B compulsorily convertible preference shares may be converted into Equity Shares at any time at the option of the holder of the Series A and series B compulsorily convertible preference share in the manner and extent and be subject to the restrictions and limitations as contained in the share holders agreement.

(i) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

- (i) The Company had issued bonus shares of Rs 15,41,820 on issue of 15,41,820 equity shares of Re. 1 each for the year ended 31 March 2020.
- (ii) The Company has issued bonus shares of Rs 80,23,050 on issue of 8,02,305 compulsorily convertible preference shares of Rs 10 each for the year ended 31 March 2020.
- (iii) 1,51,171 (31 March 2022 Nil) equity shares of Re. 1 each have been allotted as fully paid up pursuant to a conversion of loan without payment being received in cash.
- (iv) There have been no buy back of shares.

During the year, the board in its meeting has considered, approved, recommended and allotted shares as below

- (i) 1,51,171 Equity shares of Re. 1 and 1,21,911 series B compulsorily convertible preference shares having face value of Rs. 10 on 04 April 2022;
- (ii) 37,793 Equity shares of Re. 1 and 30,479 series B compulsorily convertible preference shares having face value of Rs. 10 on 06 June 2022; and
- (iii) 1,323 series B compulsorily convertible preference shares having face value of Rs. 10 on 10 June 2022.

3 Reserves and surplus

Particulars	As at	
	31 March 2023	31 March 2022
Deficit in Statement of Profit and Loss		
Opening balance	(6,762.44)	(4,880.17)
Add: Profit / (Loss) for the year	2,063.01	(1,882.27)
Closing balance	(4,699.43)	(6,762.44)
Securities premium		
Opening balance	9,798.92	9,798.92
Add: Received on issue of equity and preference shares (Refer note below)	22,482.62	-
Closing balance	32,281.54	9,798.92
Employee stock options outstanding account		
Opening balance	-	-
Employee compensation expenses for the year (Refer note 32)	353.10	-
Closing balance	353.10	-
Total	27,935.22	3,036.48

Note : During year, the Company has received share premium Rs 12,398.10 (31 March 2022 : Nil) on issue of 1,88,964 equity shares and Rs 10,084.52 (31 March 2022 Nil) on issue of 1,53,913, 0.001% Compulsorily Convertible Preference Shares (CCPS).

4 Long-term borrowings

Particulars	As at	
	31 March 2023	31 March 2022
Debentures		
Secured		
- Nil (31 March 2022: 400) 15.80% non-convertible debentures of Rs 10,00,000 each (refer note 4.1)	-	2,020.00
		2,020.00
Loans		
Secured		
- From banks (refer note 4.2, 4.3 and	5,914.52	259.62
	5,914.52	259.62
Unsecured		
- From related parties (refer note 4.5 and 24)	1,591.71	2,012.72
	1,591.71	2,012.72
Total	7,506.23	4,292.34

4.1 Terms of the Non-Convertible Debentures (NCD)

During the year the company has fully redeemed 400 Non-Convertible debenture which had below terms and conditions

4.1.(a) - Terms and conditions

15.80% Non Transferable, Secured, 200 Non-Convertible debenture Series B-tranche 1 of Rs 10,00,000 each and 200 Non-Convertible debenture Series B-tranche 2 of Rs 10,00,000 each, having no voting rights issued to Spark Equitized Credit Solutions Fund I. The Company had appointed Vistara ITCL (India) Limited as the debenture trustee, who acted as a debenture trustee for the debenture holders. The proceeds of the loan was utilized towards repayment of existing financial indebtedness of the company as agreed with the Debenture Holder.

4.1.(b) - Interest rate

The NCDs carried cash coupon of 15.80% per annum payable monthly.

4.1.(c) - Redemption tenor

Non-Convertible Debentures Series B tranche -1 and Series B tranche -2 was repayable on 36th monthly instalment (35 equal monthly instalments of Rs 110.00 each and 36th instalment of Rs. 150.00) beginning from 30 October 2021. The Company in its board meeting held on 15 October 2022 had decided to fully redeem these Non-Convertible debentures.

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Notes to financial statements (continued)

(All amounts in Lakhs, except share data and peso share data, in Lakhs otherwise stated)

4.1 Terms of the Non-Convertible Debentures (NCD)

4.1(d) - Security

- Shares in dematerialized form were pledged to the extent of 13% of controlling interest of the Company on fully diluted basis. The pledge increases to 26% only in the case of an event of default as per executed debenture trust deed dated 05 October 2021
 - First charge and pari passu (until repayment of Series B debentures, after which the charge shall be exclusive) charge by way of hypothecation over the Innopro Spaces Pvt. Ltd. controlled account as per deed of hypothecation dated 05 October 2021
 - Second charge on fixed assets and current assets of the Company as per deed of hypothecation dated 05 October 2021
 - Personal Guarantee of Mr. Rishi Das and Mr. Anshuman Das
 - Corporate Guarantee from Innopro Spaces Private Limited
 - Creation of cash collateral of Rs. 210.00 deposit in a mutual fund with the lien and set off marked in favour of the debenture holder
- 4.1(e) 15.80% Non Transferable, Secured, 200 Non-Convertible debenture series B-tranche 1 and 200 Non-Convertible debenture series B-tranche 2 with an outstanding of Rs. Nil (31 March 2022, 3,340.00) and current maturities of long-term debt Rs. Nil (31 March 2022, 1,320.00).

4.2 Axis bank term loan

The company has been sanctioned Term loan I and Term loan II by the Axis Bank. Term loan I includes 2 tranches (TL1 and TL2) of Rs. 2,300.00 and Rs. 5,200.00 respectively, fully drawn. Term loan II includes three tranches (TL3, TL4 and TL5) of Rs. 2,500.00 each. TL3 of Rs. 1,139.15 drawn as on 31 March 2023 with below terms and conditions.

4.2(a) Purpose

TL1 and TL2: For capital expenditure including reimbursement of Rs. 2,300.00 incurred during the last six months from the date of sanction.
 TL3, TL4 and TL5: Towards capital expenditure on interiors, fitouts and pre-operative expenses for the buildings planned to be occupied.

4.2(b) Rate of interest

- TL1: 3 Months MCLR + 1.35%, as on 31 March 2023: 10.15%
 TL2: 3 Months MCLR + 1.35%, as on 31 March 2023: 10.00%
 TL3: 3 Months MCLR + 1.35%, as on 31 March 2023: 10.20%

4.2(c) Tenor / Door to Door tenor

60 months from the date of drawdown of each tranche

4.2(d) Repayment

Principal to be repaid in 60 equal monthly instalments as per tranche drawdown commencing at the end of one month from the date of first drawdown of each tranche and interest shall be served on monthly basis as applicable.

4.2(e) Security

(1) Primary: (a) First and exclusive charge on the entire asset and movable fixed assets of the company both present and future. (b) Escrow of current and future rent receivable.

(2) Collateral: (a) Exclusive charge on below mentioned properties to be cross collateralized with group entities Hirepro Consulting Pvt. Ltd. and Careernet Technologies Pvt. Ltd.

Nature of the property	Property details	Owner of the property
Residential	Flat No. 505, H Block, 5th Floor, Daffodils, Adarsh palm Bellandur	Ashu Agarwal
Residential	Flat No. 504, H Block, 5th Floor, Daffodils, Adarsh palm Bellandur	Meghna Agarwal
Residential	Villa No. 267, Adarsh Palm retreat sv. no. 17/1 & 17/2 Varthur Bangalore	Rishi Das
Commercial	Site No. 15 & 16 Property No. 8, SBI officers colony, 7th main road, 3rd block, Kotamangala	Rishi Das and Anshuman Das
Residential	Villa No. 268, Lane II Adarsh Palm retreat Phase 2 off enter ring road, Bangalore	Anshuman Das
Residential	Industrial property, sv. No. 112/7, Kadivalam village, bagalur, Sarjapura	Rishi Das
Residential	Site no. 11 sector 5, BDA HSR layout, Banerjee 560102	Rishi Das

(b) Fixed deposit from corporate guarantor Careernet Technologies Pvt. Ltd. with 0.5X cover for TL3, TL4 and TL5 of Rs. 7,500.00.

4.2(f) Personal guarantee

Irrevocable and unconditional personal guarantee of Rishi Das, Meghna Agarwal, Anshuman Das and Ashu Agarwal. Personal guarantee of Meghna Agarwal and Ashu Agarwal is proposed to the extent of the value of collateral security.

4.2(g) Corporate guarantee

Irrevocable and unconditional corporate guarantee of Careernet Technologies Pvt. Ltd.

4.2(h) DSRA

2 months interest and principal instalment in the form of FD/Liquid security lien marked in favour of Axis Bank.

4.2(i) Axis Bank term loan TL1, TL2 and TL5 with an outstanding of Rs. 5,812.55 (31 March 2022, Nil) and current maturities of long-term debt Rs. 1,999.99 (31 March 2022, Nil).

4.3 Terms of the Vehicle Loan

(a) Audi vehicle loan fully drawn with an outstanding of Rs. Nil (31 March 2022, 23.90) (current maturities of long-term debt Rs. 10.36 (31 March 2022, 13.54)) carrying interest rate of 8.71% per annum, re-payable in 60 equal monthly instalments Rs. 1.27 each beginning from 01 November 2018, primarily secured by exclusive hypothecation of the vehicle.

(b) Mercedes Benz vehicle loan fully drawn with an outstanding of Rs. 14.66 (31 March 2022, 43.46) (current maturities of long-term debt Rs. 14.92 (31 March 2022, 13.87)) carrying interest rate of 7.30% per annum, re-payable in 39 equal monthly instalments Rs. 1.38 each beginning from 05 December 2021, primarily secured by exclusive hypothecation of the vehicle.

(c) Alcazar vehicle loan fully drawn with an outstanding of Rs. 14.38 (31 March 2022, 22.93) (current maturities of long-term debt Rs. 4.42 (31 March 2022, 4.12)) carrying interest rate of 7.10% per annum, re-payable in 60 equal monthly instalments Rs. 0.46 each beginning from 05 February 2022, primarily secured by exclusive hypothecation of the vehicle.

4.4 Terms of the Guaranteed Emergency Credit Line (GECL)

Repayment terms	Principal to be repaid in 60 equal monthly instalments
Purpose	Towards takeover of GECL limits from Deutsche Bank
Rate of Interest	3 Month MCLR + 0.35% As on 31 March 2023: 9.05%
Security	(i) Extension of Secondary Charge over primary & collateral security for CC/WCDL facilities (except guarantees) (ii) 100% credit guarantee by NCGTC
Outstanding as at	Loan outstanding of Rs. 72.92 (31 March 2022, Rs. 315.12) and Rs. 118.32 (31 March 2022, Rs. 114.25) relating to current maturities of long-term debt.

4.5 Terms of the loan

Loans from	Related party			
	Mr. Rishi Das	Mr. Anshuman Das	HirePro Consulting Pvt. Ltd.	Careernet Technologies Pvt. Ltd.
Secured/Unsecured	Unsecured	Unsecured	Unsecured	Unsecured
Purpose	Fitout and interior works	Fitout and interior works	Fitout and interior works	Fitout and interior works
Loan to be repaid by	31-Mar-25	31-Mar-25	31-Mar-23	31-Mar-23
Interest	15% per annum with effect from 1 April 2019	15% per annum with effect from 1 April 2019	12% per annum with effect from 1 April 2021	12% per annum on compounded basis
Outstanding as at 31 March 2022	1,068.19	944.53	811.02	0.00
Interest accrued but not due as at 31 March 2022	-	-	-	-
Outstanding as at 31 March 2023	784.19	807.53	-	-
Interest accrued but not due as at 31 March 2023	-	-	-	-

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Innovent Spaces Private Limited

CTN: 145400KAZ01SPIC133523

Notes to financial statements (continued)

(All amounts in Lakhs, except share data and per share data and unless otherwise stated)

5 Other long term liabilities

Particulars	As at	
	31 March 2023	31 March 2022
Lease deposits (Refer Note below)	16,772.01	8,805.79
Lease equalisation reserve	3,024.25	3,312.28
Total	19,796.26	12,117.57

Note: Out of the above, lease deposits of Rs. 233.37 (31 March 2022: Nil) have been given to related parties. Refer note 24

6 Long-term provisions

Particulars	As at	
	31 March 2023	31 March 2022
Provision for gratuity (refer note 27)	248.30	210.43
Provision for compensated absences	230.15	171.99
Total	478.45	382.42

7 Short-term borrowings

Particulars	As at	
	31 March 2023	31 March 2022
Secured		
- Short-term loan from banks (refer note below and note 35)	2,772.71	1,853.51
- Current maturities of long term borrowings (refer note 4)	2,148.03	1,465.80
Unsecured		
- Current maturities of long term borrowings from related party (refer note 4.5 and 24)	-	80.02
Total	4,920.74	3,399.33

Terms of Short-term borrowings:

During the year, the company has closed the working capital with Deutsche Bank and availed the loan from Axis Bank with below terms & conditions

(a) Short term loan from banks includes working capital loan with an outstanding of Rs. 2,772.71 against sanctioned limits of Rs. 2,800.00 from Axis Bank (31 March 2022: 1,853.51 against sanctioned limits of Rs. 1,950.00) from Deutsche Bank

(b) The interest on the facility is 3 months MCLR plus 0.60% which is 9.30% as on 31 March 2023 (MCLR plus 4.07% which was 10.42% which was 31 March 2022)

(c) Security:

(1) Primary - (a) First and exclusive charge on the entire asset and movable fixed assets of the company both present and future. (b) Escrow of current and future rent receivable

(2) Collateral - First and exclusive charge on residential/commercial properties valued at Rs. 6,459.00 and cross collateralized with group companies Careem Technologies Pvt. Ltd. & Hirepro Consulting Pvt. Ltd.

(d) Personal guarantee: Irrevocable and unconditional personal guarantee of Rishi Das, Meghna Agarwal, Anshuman Das and Ashu Agarwal

(e) Corporate guarantee: Irrevocable and unconditional personal guarantee of Careem Technologies Pvt. Ltd. and Hirepro Consulting Pvt. Ltd.

(f) Purpose: Towards takeover of limits from Deutsche Bank and to meet the working capital requirements.

8 Trade payables

Particulars	As at	
	31 March 2023	31 March 2022
Total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 35)	982.55	808.73
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,776.22	2,404.38
Total	2,758.77	3,213.11

Ageing for trade payables as at 31 March 2023 is as follows

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	113.45	853.12	15.96	0.02	-	-	982.55
(ii) Others	610.04	990.94	143.70	24.77	6.76	-	1,776.22
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-	-
	723.49	1,844.06	159.66	24.79	6.76	-	2,758.77

8 Trade payable (Continued)

Ageing for trade payables as at 31 March 2022 is as follows

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	99.02	517.82	191.16	0.73	-	-	808.73
(ii) Others	420.94	989.69	986.83	3.62	3.30	-	2,404.38
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-	-
	519.96	1,507.51	1,177.99	4.35	3.30	-	3,213.11

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Innovent Spaces Private Limited

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Notes to financial statements (continued)

(All amounts in Lakhs, except share data and per share data and unless otherwise stated)

9 Other current liabilities

Particulars	As at	As at
	31 March 2023	31 March 2022
Lease Deposits (refer note below)	10,086.07	9,232.64
Bank overdraft	0.01	27.04
Advance from customers	134.46	42.23
Unearned revenue	4.34	286.70
Lease equalisation reserve	2,370.86	1,479.03
Other payables		
- for salaries	17.99	21.23
- for statutory dues	454.77	323.25
- for purchase of fixed assets	4,457.96	4,359.77
- to related parties (refer note 24)	1.57	284.62
Total	17,528.03	16,056.51

Note: Of the above, Rs Nil (31 March 2022: Rs 368.20) pertains to related parties. Refer note 24

10 Short-term provisions

Particulars	As at	As at
	31 March 2023	31 March 2022
Provision for gratuity (refer note 27)	36.39	41.72
Provision for compensated absences	62.44	63.16
Total	98.83	104.88

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11 Property, plant and equipment and Intangible assets

	Property, plant and equipment				Intangible assets				Total (A + B)	Capital Work In Progress (CWIP)(C)	Intangible assets under development (A+D)(D)	Total (A + D)
	Leasehold improvements (Right of Use)	Plant and machinery	Furniture and fixtures	Computers	Office equipments	Vehicles	Total (A)	Computer software				
Balance as at 1 April 2021	19,126.93	5,553.76	3,784.22	2,135.07	561.14	67.62	31,227.68	327.68	7.65	315.25	234.19	346.52
Additions	2,891.06	1,199.42	705.02	479.17	733.83	78.09	6,086.59	62.90	-	62.90	2,099.78	117.21
Deletions	22.44	6,753.12	4,455.80	2,044.24	1,294.97	1,45.71	3,229.83	398.58	7.65	398.15	77.62	44.40
Balance as at 31 March 2022 (A)	22,017.99	6,753.12	4,465.80	2,614.24	1,294.97	1,45.71	37,246.83	398.50	7.65	378.25	2,166.55	420.36
Additions	11,426.86	3,771.94	2,259.15	1,804.56	826.59	1,45.71	20,589.38	376.15	2.10	378.25	2,113.10	87.78
Deletions	-	-	-	-	-	-	-	-	-	-	-	223.50
Balance as at 31 March 2023 (B)	33,444.85	10,525.06	7,205.23	4,418.80	2,121.56	1,45.71	57,984.23	766.65	3.73	776.40	2,113.10	294.78
Accumulated Depreciation:												
Balance as at 1 April 2021	4,619.55	1,201.96	833.83	1,306.75	243.12	21.02	8,228.24	118.41	7.20	125.61	-	-
Adjustment*	83.75	(6.55)	(23.80)	(51.66)	(1.74)	-	(6.00)	-	-	(6.00)	-	-
Charge for the year	1,967.25	613.95	408.43	574.60	184.66	11.22	3,749.61	112.72	0.45	113.17	-	-
(Reversed) Provision for impairment (refer note 1 below):	(58.80)	-	-	-	-	-	(58.80)	-	-	(58.80)	-	-
Deposals	(15.19)	-	-	-	-	-	(15.19)	-	-	(15.19)	-	-
Balance as at 31 March 2022 (C)	6,444.25	1,822.46	1,208.87	1,935.02	427.82	32.75	11,739.48	231.14	7.65	238.79	-	-
Charge for the year	2,849.15	891.92	596.77	738.14	320.13	18.21	5,445.32	130.35	0.58	131.12	-	-
(Reversed) Provision for impairment	-	-	-	-	-	-	-	-	-	-	-	-
Deposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023 (D)	9,293.40	2,714.38	1,805.64	2,673.16	747.95	50.96	17,257.58	361.49	8.23	369.71	-	-
Net book balance as at 31 March 2023 (A+C)	15,573.74	4,938.66	3,214.93	679.23	864.45	115.97	25,376.97	158.36	-	159.36	2,166.55	420.36
31 March 2023 (B+D)	24,151.45	7,810.68	5,387.59	1,746.61	1,371.59	94.77	40,524.03	904.97	1.52	406.49	2,113.10	294.78

Note 1: The Management has assessed each building as a separate CGU for the purpose of impairment analysis. The management has estimated the recoverable amount in each one of the CGU based on a simulation done in accordance with discounted cash flow method. As a result of the valuation reversal of impairment loss of Rs. Nil (31 March 2022, Rs. 58.80) was recognised in the statement of profit and loss for one of the CGU - 'Property (type)'. In determining value in use for the CGU, the assumptions used were as follows:

Key assumptions	Discount rate	
	31-Mar-23	31-Mar-22
Discount rate	15.07%	12.20%
Partial amount suspended	5.79%	6.00%
Discount rate*	95.00%	95.00%

An analysis of the calculation, sensitive to a change in the key assumption based on reasonably probable assumptions, did not identify any probable scenarios, where the CGU's recoverable amount would fall below its carrying amount.

Note 2: Ageing for CWIP as at 31 March 2023 is as follows

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 2 years	
Projects in progress	2,113.10	-	-	2,113.10
Projects temporarily suspended	-	-	-	-

Note 3: There are no capital work-in-progress and Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023.

Note 2: Ageing for IAVD as at 31 March 2023 is as follows

IAVD	Amount in IAVD for a period of			Total
	Less than 1 year	1-2 years	More than 2 years	
Projects in progress	125.31	-	-	125.31
Projects temporarily suspended	-	-	-	-

Note 3: There are no capital work-in-progress and Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023.

Note 2: Ageing for IAVD as at 31 March 2022 is as follows

IAVD	Amount in IAVD for a period of			Total
	Less than 1 year	1-2 years	More than 2 years	
Projects in progress	92.37	-	-	92.37
Projects temporarily suspended	-	-	-	-

Note 3: There are no capital work-in-progress and Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023.



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Innovent Spaces Private Limited

CIN U45400KA2015PTC 133523

Notes to financial statements (continued)

(All amounts in Lakhs, except face value and per share data, and unless otherwise stated)

12 Non-current Investments

(Valued at cost unless stated otherwise)

Particulars	As at 31 March 2023	As at 31 March 2022
Quoted investments in mutual funds*		
- Nil (31 March 2022: 8,53,851.88) units of Axis Short term - Growth-Regular plan	-	210.00
Investment in equity instruments		
- 73 (31 March 2022: Nil) equity shares of AIOT Foundry Private Limited of INR 10 each, fully paid up	96.49	-
Total	96.49	210.00

* On lien against Non-Convertible debentures. Refer note 4

The aggregate book value and market value of quoted non-current investments and book value of unquoted non-current investments are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Quoted non-current investments		
- Aggregate book value	-	210.00
- Aggregate market value	-	212.86
Aggregate book value of unquoted non-current investments	96.49	-

13 Long-term loans and advances

Particulars	As at 31 March 2023	As at 31 March 2022
To parties other than related parties (Unsecured, considered good)		
Advance tax, net provision for tax	4,058.50	2,973.65
Capital advances	468.94	350.67
Prepaid expenses	1,621.27	687.58
Other advances	175.63	-
Loans and advances to employees	72.82	42.28
Total	6,397.16	4,054.18

14 Other non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
To parties other than related parties (Unsecured, considered good)		
Lease deposits	16,335.12	11,445.65
Other deposits	116.18	94.74
DGSA - Term Deposit (refer note 1.2)	470.81	-
Unbilled revenue - rent straightlining	2,416.63	2,407.40
	19,338.74	13,547.79
To related parties		
Lease deposits	161.69	-
	161.69	-
Total	19,500.43	13,547.79

15 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
- Considered good (refer note below)	3,362.69	2,740.12
- Considered doubtful	868.41	220.75
	4,231.10	2,960.87
Less: Provision for doubtful debt	(868.41)	(220.75)
Total	3,362.69	2,740.12

Note: Of the above, Rs. 797 (31 March 2022: Rs. 16.30) pertains to related parties. Refer note 24

Ageing for trade receivables as at 31 March 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	283.43	1,965.95	170.59	24.46	65.59	14.67	2,524.69
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	1.02	-	-	50.10	51.12
(iii) Disputed Trade Receivables considered good	-	-	-	15.98	61.65	91.69	21.13	190.45
(iv) Disputed Trade Receivables considered doubtful	-	-	-	635.75	89.87	91.67	-	817.29
(v) Trade receivables - unbilled	647.55	-	-	-	-	-	-	647.55
	647.55	283.43	1,965.95	823.34	175.98	248.95	85.90	4,231.10

Ageing for trade receivables as at 31 March 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	346.20	1,208.65	217.50	254.59	177.61	4.80	2,188.95
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	3.05	40.68	-	43.73
(iii) Disputed Trade Receivables considered good	-	-	15.98	61.65	91.69	21.13	-	190.45
(iv) Disputed Trade Receivables considered doubtful	-	-	75.38	6.85	94.75	0.04	-	177.02
(v) Trade receivables - unbilled	360.72	-	-	-	-	-	-	360.72
	360.72	346.20	1,300.01	285.80	423.88	239.46	4.80	2,960.87



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16 Cash and bank balances

Particulars	As at	
	31 March 2023	31 March 2022
Cash and cash equivalents		
Cash on hand	4.90	9.79
Balances with banks		
-in current account	1,039.33	22.55
Other bank balances		
-in deposit account*	1.94	1.84
Total	1,046.17	34.18

* Lien marked against bank guarantee

Details of bank balances/deposits

Particulars	As at	
	31 March 2023	31 March 2022
Balances with banks in current accounts	1,039.33	22.55
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	1.94	1.84
Total	1,041.27	24.39

17 Short-term loans and advances

Particulars	As at	
	31 March 2023	31 March 2022
To parties other than related parties (Unsecured, considered good)		
Balance with government authorities	3,806.31	1,952.72
Prepaid expenses	1,439.22	758.75
Employee advances	102.34	90.79
Other advances	198.83	108.54
 (Unsecured, considered doubtful)		
Balance with government authorities	567.31	346.90
Other advances	12.08	12.08
Less: Provision for doubtful advances	(579.39)	(358.98)
Total	5,566.70	2,910.80

18 Other current assets

Particulars	As at	
	31 March 2023	31 March 2022
To parties other than related parties (Unsecured, considered good)		
Unbilled revenue - Rent Straightlining	1,427.49	936.42
Lease deposits	405.16	64.26
Other deposits	3.15	3.65
 (Unsecured, considered doubtful)		
Lease deposits	64.26	64.26
Less: Provision for doubtful deposits	(64.26)	(64.26)
Total	1,835.80	1,004.33

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Regd. No.



Innovent Spaces Private Limited

CIN: U45400KA2015PT-135523

Notes to financial statements (continued)*(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)***19 Revenue from operations**

Particulars	As at	As at
	31 March 2023	31 March 2022
Rental income	47,407.31	27,853.57
Electricity charges	2,743.40	1,761.13
Maintenance charges	3,800.17	2,740.54
Sale of goods	3,173.88	1,475.48
Others	2,115.90	1,312.51
Total	59,240.66	35,143.22

20 Other income

Particulars	As at	As at
	31 March 2023	31 March 2022
Profit on redemption of investments	88.12	25.83
Interest income on income tax refund	187.89	31.47
Reversal of provision for impairment of Property, plant and equipment	-	58.80
Provision for doubtful debts written back	-	59.31
Miscellaneous income	5.93	-
Total	281.94	175.41

21 Employee benefits expense

Particulars	As at	As at
	31 March 2023	31 March 2022
Salaries and wages	3,805.67	2,923.95
Contribution to provident and other funds (refer note 27)	107.81	76.23
Provision for employee stock compensation expense (refer note 32)	353.10	-
Staff welfare expenses	57.79	49.06
Total	4,324.37	3,049.24

22 Finance costs

Particulars	As at	As at
	31 March 2023	31 March 2022
Interest expense on borrowings		
- From banks and financial institutions	391.46	187.05
- From others	560.20	2,003.78
Provision of premium on redemption of debentures	-	98.83
Other borrowing cost	135.66	70.69
Total	1,087.32	2,360.35

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Innovent Spaces Private Limited

CIN: U45400KA2015PTC133523

Notes to financial statements (continued)*(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)***23 Other expenses**

Particulars	As at	As at
	31 March 2023	31 March 2022
Rent	28,196.08	18,288.39
Power and fuel	3,712.24	1,962.04
Security expenses	1,436.12	885.20
Legal and professional charges*	304.73	241.35
House keeping expenses	2,634.45	1,182.17
Office expenses	343.20	171.29
Internet and website expenses	532.81	315.18
Rates and taxes	4.93	3.76
Repairs and maintenance		
- buildings	2,607.22	1,632.42
- plant and machinery	114.31	74.19
- others	88.02	83.37
Other service cost	817.54	582.11
Communication	21.88	17.86
Travelling and conveyance	569.10	144.50
Printing and stationery	35.31	35.78
Brokerage expenses	1,127.02	635.46
Business promotion	60.72	10.30
Insurance	47.81	47.93
Books and subscription	75.76	52.16
Provision for doubtful debts	648.59	-
Loss on sale off of property, plant and equipment and other intangible assets (net)	-	5.68
Property, plant and equipment written off	-	23.03
Deposits written off	-	20.31
Provision for doubtful advances and deposits	220.41	423.24
Miscellaneous expenses	9.33	1.98
Total	43,607.58	26,839.71

(*) Auditors remuneration excluding Goods and Service Tax (included in legal and professional charges)

Particulars	As at	As at
	31 March 2023	31 March 2022
Audit fee	23.45	20.00
Out of pocket expenses	2.48	0.80
	25.93	20.80

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Innovent Spaces Private Limited

CIN: U45400UP2015PTC068253

Notes to financial statements (continued)

(All amounts in Lakhs, except share data and per share data, and unless otherwise stated)

24 Related party disclosures

(1) Names of related parties and related party relationship

(A) Shareholders in the company with whom no transactions have taken place during the year
Aravali Investment Holdings, Mauritius

(B) Other related parties with whom transactions have taken place during the year

Companies and firms under common control

Careernet Technologies Private Limited, India
Innopro Spaces Private Limited, India
Cuisines Enterprises, India
RAAS Group, India
Grub Group, India
Hirepro Consulting Private Limited, India

Key management personnel (KMP)

Rishi Das, Chief Executive Officer and Whole-time Director
Meghna Agarwal, Chief Operating Officer and Whole-time Director
Anshuman Das, Director

(2) Details of transactions entered into with related parties along with balances as at year end are as given below:

Transactions during the year

	As at 31 March 2023	As at 31 March 2022
Loans from related parties		
Rishi Das	-	1,177.50
Anshuman Das	-	808.00
Careernet Technologies Private Limited	-	7,000.00
Hirepro Consulting Pvt Ltd	-	3,500.00
Loans repaid to related parties		
Rishi Das	284.00	4,174.30
Anshuman Das	137.00	1,961.00
Hirepro Consulting Pvt Ltd	80.00	500.00
Careernet Technologies Private Limited	0.02	-
Performance deposit from related parties		
Careernet Technologies Private Limited	150.00	-
Hirepro Consulting Pvt Ltd	150.00	-
Performance deposit repaid to related parties		
Careernet Technologies Private Limited	150.00	-
Hirepro Consulting Pvt Ltd	150.00	-
Conversion of loans to share application money pending allotment		
Careernet Technologies Private Limited	-	6,999.98
Hirepro Consulting Pvt Ltd	-	2,920.00
Security deposit from related party		
Careernet Technologies Private Limited	150.00	1.20
Security deposit to related party		
Careernet Technologies Private Limited	161.69	-
Security deposit repaid to related party		
Careernet Technologies Private Limited	284.82	-
Interest accrued on loan from related parties		
Rishi Das	148.77	595.26
Anshuman Das	141.24	364.93
Careernet Technologies Private Limited	-	227.78
Hirepro Consulting Pvt Ltd	-	11.72
Interest accrued on performance deposit from related parties		
Careernet Technologies Private Limited	4.59	-
Hirepro Consulting Pvt Ltd	6.59	-
Rent expenses		
Careernet Technologies Private Limited	354.44	178.61
Innopro Spaces Private Limited	1,294.51	631.93
Reimbursement of expenses		
Innopro Spaces Private Limited	10.36	5.66
Grub Group	1.55	221.88
Meghna Agrawal	14.07	-
Rishi Das	1,928.18	-
Purchase of Goods/ Services received		
Careernet Technologies Private Limited	13.08	5.72
Hirepro Consulting Pvt Ltd	4.14	-
Innopro Spaces Private Limited	6.00	22.52
Grub Group	1,428.11	64.93
Issue of Equity Shares including securities premium		
Careernet Technologies Private Limited	8,750.02	-
Hirepro Consulting Pvt Ltd	3,649.67	-



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24 Related party disclosures (continued)

Transactions during the year (continued)

	As at 31 March 2023	As at 31 March 2022
Sale of Goods/ Services provided		
Innoprop Spaces Private Limited	362.98	146.16
Careernet Technologies Private Limited	41.14	17.33
Hirepro Consulting Pvt Ltd	-	14.15
Grub Group	0.35	-
Rental income		
Careernet Technologies Private Limited	503.01	178.66
Professional Fees		
Careernet Technologies Private Limited	50.24	10.11
Managerial remuneration		
Rishi Das	147.68	120.00
Meghna Agrawal	125.52	102.00

Managerial remuneration mentioned above does not include gratuity and compensated absences payable to the directors as the same are actuarially determined for the Company as a whole and separate figures for the directors are not available.

Balances receivable from and payable to related parties

	As at 31 March 2023	As at 31 March 2022
Long-term borrowings		
Rishi Das	784.19	1,068.19
Anshuman Das	807.53	944.53
Short-term borrowings		
Careernet Technologies Private Limited	-	0.02
Hirepro Consulting Private Limited	-	80.00
Other current liabilities- Lease deposits received		
Careernet Technologies Private Limited	233.38	368.20
Other current liabilities - Advance from customers		
Careernet Technologies Private Limited	-	0.00
Other current liabilities- Other Payable		
Innoprop Spaces Private Limited	-	284.61
Other current liabilities- Other payables		
Careernet Technologies Private Limited	0.02	-
Grub Group	1.55	-
Other non-current assets- Lease deposit paid		
Careernet Technologies Private Limited	161.69	-
Trade Receivables		
Innoprop Spaces Private Limited	-	2.21
Cuisines Enterprises	4.67	4.67
Ankalan web solutions Pvt. Ltd	-	9.41
Careernet Technologies Private Limited	2.71	-
Grub Group	0.59	-

25 Contingent liabilities and commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	193.59	153.83
Total	193.59	153.83

There are no contingent liabilities as on 31 March 2023 (31 March 2022: Nil)

26 Earnings per share (EPS)

Particulars	As at 31 March 2023	As at 31 March 2022
Earnings		
Profit / (Loss) for the year	2,063.01	(1,882.27)
Less: Preference dividend	(0.00)	(0.00)
Net profit / (loss) attributable to equity shareholders for calculation of basic EPS	2,063.01	(1,882.27)
Add: Dividend on non-cumulative compulsorily convertible preference shares	(0.00)	(0.00)
Net profit / (loss) adjusted for the effects of dilutive potential equity shares for calculation of diluted EPS	2,063.01	(1,882.27)

Shares

Particulars	As at 31 March 2023	As at 31 March 2022
Weighted average number of equity shares outstanding during the period for calculation of basic EPS	18,25,496	16,44,608
Effects of dilutive potential equity shares*		
Series A compulsorily convertible preference shares	5,84,044	-
Series B compulsorily convertible preference shares	1,53,913	-
Weighted average number of equity shares for calculation of diluted EPS	25,63,453	16,44,608
Profit / (Loss) per share basic	143.01	(114.45)
Profit / (Loss) per share (diluted)	80.48	(114.45)

*As at 31 March 2023, the outstanding potential equity shares had an anti-dilutive effect on EPS. Hence there was no dilution of EPS for that year.



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27 Employee Benefits

(a) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss. The amount recognized as expense towards contribution to provident fund for the year ended 31 March 2023 aggregates to Rs 107.81 (31 March 2022: Rs 76.23)

(b) Defined benefit plans

The Company has a defined benefit gratuity plan for its employees. Under this plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. Gratuity is thus paid to the employees on separation in accordance with the provisions of Payment of Gratuity Act, 1972. The scheme is unfunded and hence the disclosure with respect to plan assets as per AS-15 is not applicable to the Company.

The following tables summarises the components of net benefit expense recognized in the Statement of profit and loss and amounts recognized in the Balance Sheet for the respective plans

The principal assumptions used in determining gratuity obligations for the company's plans are shown below

Particulars	As at	
	31 March 2023	31 March 2022
Discount rate	7.30%	6.40%
Employee turnover	22.65%	22.00%
Retirement age	60 years	60 years
Mortality rate (age in years)	Indian Assured Lives Indian Mortality (2012-14) Table	Assured Lives Indian Mortality (2012-14)
Salary escalation rate	15.00%	15.00%

Expense recognized in Statement of Profit and Loss

Particulars	As at	
	31 March 2023	31 March 2022
Current service cost	76.16	54.92
Interest cost on benefit obligation	15.35	7.06
Expected return on plan assets	-	-
Net actuarial loss recognized in the year	(28.54)	73.99
Net benefit expense	62.97	135.97

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	As at	
	31 March 2023	31 March 2022
Present value of defined benefit obligation		
- Current	36.39	41.72
- Non-current	248.30	210.43
Liability recognized in the balance sheet	284.69	252.15

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at	
	31 March 2023	31 March 2022
Opening defined benefit obligation	252.15	120.56
Current service cost	76.16	54.93
Interest cost	15.35	7.05
Benefits paid	(30.43)	(4.40)
Net actuarial loss (gain) recognized in the year (refer note below)	(28.54)	73.99
Closing defined benefit obligation	284.69	252.15

Amounts for current and previous four years are as follows:

Particulars	As at				
	31 March 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
Net actuarial loss (gain) recognized on plan liabilities	(30.43)	73.99	5.16	(11.15)	3.71
Defined benefit obligation	284.69	252.15	120.56	77.43	45.84

28 Segment information

The primary reporting of the Company has been performed on the basis of business segments. The Company's sole business segment is sub-leasing of managed office spaces, as a service, of fully or partly equipped premises and provides a unique 'one-stop' experience to clients, its principal geographical segment is India. Accordingly, the amounts appearing in these financial statements relate to this primary business segment. Further, the Company generates its income only in India and accordingly, no disclosures are required under secondary segment reporting.

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29 Leases

(a) Operating lease as lessee

The Company has taken a number of corporate buildings under operating leases. The corporate buildings typically run for a period of 10-20 years, with an option to renew the lease after this period. Lease payments are increased every one to three years.

Particulars	As at	As at
	31 March 2023	31 March 2022
Cancellable	5,926.75	2,922.45
Non-cancellable	22,269.33	15,365.94
	28,196.08	18,288.39

Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follows:

Particulars	As at	As at
	31 March 2023	31 March 2022
Payable within one year	23,576.35	19,146.34
Payable between one and five years	29,510.34	34,435.99
Payable after five years	-	345.03
	53,086.69	53,927.36

(b) Operating lease as lessor

The Company has leased out its corporate buildings under operating leases. The lease term is in the range 3-5 years.

Particulars	As at	As at
	31 March 2023	31 March 2022
Cancellable	8,667.68	7,213.15
Non-cancellable	38,739.63	20,640.42
	47,407.31	27,853.57

The future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	As at	As at
	31 March 2023	31 March 2022
Receivable within one year	36,794.84	23,069.46
Receivable between one and five years	45,738.34	23,343.94
Receivable after five years	-	-
	82,533.18	46,413.40

30 Earnings and expenditure in foreign currency

Particulars	As at	As at
	31 March 2023	31 March 2022
Books and subscription	3.10	-

There are no earnings in foreign currency for the year ended 31 March 2023 and 31 March 2022. There are no foreign currency denominated payables/ receivables at the balance sheet date for the current and previous year.

31 Deferred tax assets (Net)

Particulars	As at	As at
	31 March 2023	31 March 2022
Deferred tax liabilities		
Excess of depreciation allowable under the income-tax laws over depreciation provided for in the book	(60.17)	(78.72)
	(60.17)	(78.72)
Deferred tax assets		
Unabsorbed depreciation	1,104.98	1,132.02
Provision for gratuity and compensated absences	39.19	62.89
Provision for Interest on MSME	3.61	3.44
Total deferred tax assets	1,087.61	1,119.63
Less: Deferred tax assets not recognised (refer note below)	(1,087.61)	(1,119.63)

Deferred tax asset / (liabilities) (Net)

Note: The Company has carry forward losses under tax laws and accordingly, deferred tax assets can be recognized only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets which can be realized. Since the Company could not establish the required certainty, deferred tax assets have not been recognised.

32 Employee stock option plan ('ESOP')

On 26 July 2022, the board of directors approved the equity settled "ESOP Scheme 2022" for issue of stock options to various employees (as defined in the policy) of the Company. The Plan entitles key employees and senior management personnel to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. According to the scheme, the employees will be entitled to options, subject to satisfaction of the prescribed vesting conditions.

The Company measures the compensation cost relating to the stock option using the intrinsic value method. The compensation cost is amortised over the period of the stock option. The Company has accounted for the ESOP granted as per The Guidance Note on Accounting for Share Based payments issued by the Institute of Chartered Accountants of India. Expense recognised in the statement of profit and loss for the year ended 31 March 2023 amounts to Rs 353.10 lakhs (31 March 2022: Nil).

The Board has approved the issue of 44,572 options under its ESOP Plan out of 57,200 options. Each option comprises one underlying equity share of Re 1 each. The options granted vest over a period of 1 to 4 years.

The following table summarizes the transactions of stock option under "ESOP scheme 2022"

No. of options granted, exercised and forfeited	As at	As at
	31 March 2023	31 March 2022
Outstanding at the beginning of the year	-	-
Granted during the year	37,730.00	-
Total	37,730.00	-
Forfeited during the year	415.00	-
Cancelled during the year	-	-
Outstanding at the end of the year	37,315.00	-
Exercisable at the end of the year	-	-
Weight average remaining contractual life (in years)	3.22 years	-
Range of exercise price for outstanding options at the end of the year	Rs. 0.72 to 2.00	-



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33 Dues to Micro and Small Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' (the Act). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each year		
- Principal amount due to micro and small enterprises		
Trade Payables	869.10	709.71
Capital creditors	1,856.56	1,199.60
- Interest due on the above	14.43	13.74
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	3,253.37	1,512.38
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of the year	14.43	13.74
The amount of further 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	113.45	99.02

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

34 Additional regulatory information required by Schedule III

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- (b) The Company does not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period. However the Company is in process of creating the charge with respect to Axis Bank Car Loan.
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). Further, the Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (f) There is no income surrendered or disclosed as income during the current or previous year, in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (g) The Company is not declared as wilful defaulter by any bank or financial institution or government or any government authority.
- (h) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (i) The Company has not used funds raised on short-term basis for long-term purposes except with respect to negative working capital position arising on account of trade payables and creditors for capital goods balance amounting to Rs. 11,344.50 lakhs. The Company has invested the money in property, plant and equipments.

35 Working capital limits statement

The Company has borrowings from banks on the basis of security of current assets. The reconciliation of quarterly statement filed by the Company and books of accounts for the year ended 31 March 2023 and 31 March 2022 are

31 March 2023

Quarter ended	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reasons for difference	Whether return/statement subsequently rectified
30 September 2022	Axis Bank	Stock and Book debt statements	2,537.31	2,564.81	27.50	The differences pertains to - (a) TDS and advance payments were set off at a later point in time which are adjusted at the time of reconciliation of books.	Yes
31 December 2022	Axis Bank	Stock and Book debt statements	3,440.16	3,434.74	(5.42)	(b) Payments received from customers which are reflected as unapplied credits in the absence of payment advice from them.	Yes
31 March 2023	Axis Bank	Stock and Book debt statements	4,698.03	4,621.76	(76.27)		Yes

31 March 2022

Quarter ended	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reasons for difference	Whether return/statement subsequently rectified
30 June 2021	Deutsche Bank	Salary, office expenses and rent	6,758.38	6,753.45	4.93	The differences are due to the fact that quarterly expense statement submitted to bank was prepared on payment basis, however the books of accounts have been prepared on an accrual basis.	No
	Deutsche Bank	Advance payment	568.10	250.85	317.25		No
30 September 2021	Deutsche Bank	Salary, office expenses and rent	7,455.56	6,301.67	1,153.89		No
	Deutsche Bank	Advance payment	817.50	264.17	553.33		No
31 December 2021	Deutsche Bank	Salary, office expenses and rent	8,300.82	6,556.89	1,743.93		No
	Deutsche Bank	Advance payment	828.96	274.32	554.64		No
31 March 2022	Deutsche Bank	Salary, office expenses and rent	8,451.42	7,615.04	836.38		No
	Deutsche Bank	Advance payment	112.06	288.03	(175.97)		No

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36 Analytical ratios

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	YOY change in %	Reason for change
Current ratio	Current assets	Current liabilities	0.47	0.29	59%	(i)
Debt - Equity Ratio	Total debt	Shareholder's equity	0.44	2.45	-82%	(ii)
Debt service coverage ratio	Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets	Interest and lease payments + Principal repayments	1.76	0.29	496%	(iii)
Return on equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's equity	0.13	(0.47)	-128%	(iv)
Trade receivable turnover ratio	Revenue from operations	Average trade receivables	19.41	13.42	45%	(v)
Trade payable turnover ratio	Purchases + Other expenses	Average trade payable	15.28	8.90	72%	(vi)
Net capital turnover ratio	Net sales = Total sales - sales return	Average working capital = Current assets - Current liabilities	(4.39)	(2.42)	82%	(vii)
Net profit ratio	Profit for the year	Net sales = Total sales - sales return	0.03	(0.05)	165%	(viii)
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth (Total equity - Intangibles assets) + Total Borrowings - Deferred Tax Asset	0.07	0.05	-46%	(ix)
Return on investment	Profit on redemption of investments	Average investment during the year	-	0.12	100%	(x)

Note: The Company is a service company, engaged in the business of one-stop managed office space services including soft services and supply of various consumables, including IT products, office stationery and supplies, food and beverages etc. on a just-in-time need basis of the customers. Hence, inventory turnover ratio is not applicable for the company.

- (i) Increase in current ratio is due to growth in revenues in the current year as compared to previous year which has resulted in increased balances of bank, trade receivables and GST receivable
- (ii) Decrease in debt equity ratio is due to higher amount of debt outstanding which were availed for payment to capital creditors for expansion of business and also an increase in net worth due to infusion of equity and preference share capital at a premium and profits made during the year. Also the Company has repaid Non-convertible debenture loan in the FY 22-23 which was at a very high interest cost
- (iii) Increase in debt service coverage ratio is due to profits earned during the year and a consequent increase in repayment of non-convertible debentures in the current year
- (iv) Increase in return on equity is due to profits earned in current year and also an increase in net worth due to infusion of equity and preference share capital at a premium and profits made during the year
- (v) Increase in trade receivable turnover ratio is due to growth in revenues in the current year as compared to previous year which has resulted in increased balance of trade receivables as well
- (vi) Increase in trade payable turnover ratio is due to growth in revenues in the current year as compared to previous year which has resulted in increased purchases, direct expenses and other expenses as well
- (vii) Decrease in net capital turnover ratio is due to growth in revenues in the current year as compared to previous year and also due to negative working capital
- (viii) Increase in net profit ratio is due to profits earned in current year which is resultant of growth in revenues during the current year
- (ix) Increase in return on capital employed is due to the earnings made during the year as compared to the loss in previous year and also an increase in net worth due to infusion of equity and preference share capital at a premium and profits made during the year
- (x) The decrease in return on investments is due to sale of mutual funds during the year

37 The Company is not required to contribute towards Corporate Social Responsibility ("CSR") as required by schedule VII of the Act as it has incurred losses before tax during the previous three financial years.

38 Previous year's figures have been regrouped/reclassified, wherever necessary to conform to the current year's classification.


As per our report attached of even date

for BSR & Co. LLP
Chartered Accountants
Firm registration number 101248W/W-100022



Praveen Kumar Jain
Partner
Membership No: 079893


Place Bengaluru
Date: 29 September 2023

for and on behalf of the Board of Directors of
Innovent Spaces Private Limited


Rishi Das
Director
DIN - 00420103

Place Bengaluru
Date: 29 September 2023


Meghna Agarwal
Director
DIN - 00044181


Anshuman Das
Director
DIN - 00420772

Place Bengaluru
Date: 29 September 2023

Place Bengaluru
Date: 29 September 2023

