IGIL INDO GULF INDUSTRIES LIMITED

Corporate Office: 154, Rajpur Road, Jakhan, Dehradun Uttarakhand-248001
E-mail: rj.headoffice@gmail.com
Phone: 0135-2114568/ 2735249, Fax': 0135-2733960
Website: www.indogulfind.com
Corporate Identity Number {CIN}: L74900DL1981PLC011425

06th September, 2023

BSE LIMITED
The Corporate Relationship Department
1st Floor, New Trading Wing,
Rotunda Building,
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400001
Scrip Code: 506945

Dear Sir/Madam

Sub: Resubmission of Annual Report – 2022-23 along with cover letter.

This is in reference to you email dated 5th September, 2023 wherein you have asked to resubmit the Annual Report with cover letter.

Accordingly we are resubmitting the Annual report along with cover letter for your perusal.

This is for your information and record.

Thanking you,
Yours truly,

For Indo Gulf Industries Limited



Director

Registered Office: Narendra Bhawan, 2nd floor, House No 4237/11, 1 Ansari Road, Daryaganj, New Delhi – 110002
Phone No: +91 7982905409/9718828062
Factory: Village Koti, Sukhwa&Prithi Pura, Nayakheda, Babina, Distt Jhansi (UP)
Phone No: +919413385249/7318033279

40th

Annual Report 2022- 23

2023

Indo Gulf Industries Limited

INDO GULF INDUSTRIES LIMITED

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS	Mr. Rajesh Jain Mr. Guarav Saxena Mr. Ashok Sarkar (Independent Director) Ms. Shivani Naithani (Independent Director)	
STATUTORY AUDITORS	M/s. Hemant Arora & Co.LLP**,** Chartered Accountants 1117-1119, 11th Floor, DLF Galleria Tower, DLF Phase-IV, Gurgaon-122002	
BANKERS	Indian Bank	
FACTORIES **EXPLOSIVE DIVISION**	**Babina Plant** Village Koti Sukhwa & Prithi Pura, Babina Distt. Jhansi (U.P.)	
SMS DIVISION	**Singrauli Plant** (SMS) Near Central Workshop Jayant, Village – Garda Singrauli, Distt. Sidhi,(M.P.)	**Korba Plant**(SMS) Vill. Goberaghora (Dipka) Korba Distt. Bilaspur (C.G.)
	Talcher Plant (SMS) Plot No. 2, IDCO Industrial Estate Village Ghanipura, Distt. Dhenkanal, Talchar,(Orissa)	**I.B.Valley** Vill. Sarandamal Tehsil – Lakhanpur, Distt. Sambalpur, (Orissa)
ACCESSORIES UNIT **(Detonating Fuse etc.)**	Village Koti, Sukhwa & Prithi Pura, Babina, Distt. Jhansi (U.P.)	
REGISTERED OFFICE	4237/11, IInd Floor, Narendra Bhawan 1, Ansari Road, Daryaganj New Delhi- 110002 Email: rjheadoffice@gmail.com	
WEBSITE	WWW.INDOGULFIND.COM	
CIN	L74900DL1981PLC011425	

CONTENTS	**PAGE NO.**
Notice	**2-7**
Directors' Report	**8-33**
Auditors' Report	**34-43**
Balance Sheet	**44**
Statement of Profit and Loss	**45**
Cash Flow Statement	**46**
Statement of Change in Equity	**47**
Significant Accounting Policies	**48-57**
Notes to Accounts	**57-75**

INDO GULF INDUSTRIES LIMITED

CIN: L74900DL1981PLC011425

Registered Office: 4237/11, IInd Floor, Narendra Bhawan 1, Ansari Road, Daryaganj New Delhi - 110002

Phone: 0135-6531441, **Email**: rjheadoffice@gmail.com

Website: www.indogulfind.com

NOTICE

is hereby given that the 40th Annual General Meeting of the Members of **INDO GULF INDUSTRIES LIMITED** will be held on Friday, the 29th day of September, 2023 at 11.00 A.M. through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facilityin conformity with the regulatory provisions and the circulars issued by the Ministry of Corporate Affairs, Government of India to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2023, including the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Rajesh Jain, Director, who retires by rotation and being eligible offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

   "RESOLVED THAT Mr. Rajesh Jain, who retire by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation".

   FURTHER RESOLVED THAT any director of the Company be and is hereby authorized to do all such acts, things and deeds as may be deemed necessary to give effect to the above stated resolutions."

3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution.

   "Resolved that, in accordance with the provisions of Section 142 of the Companies Act, 2013, the remuneration of Rs. 3,50,000/- (Rupees Three Lakh Fifty Thousand only) to Messrs. Hemant Arora & CO LLP, Chartered Accountants (Registration No. 002141C/C400006), Statutory Auditors of the Company, for conduct of audit for the financial year 2023-24, plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred, be and is hereby approved."

SPECIAL BUSINESS

4. Material Related Party Transaction(s) between the Company and M/s Ganesh Explosives Private Limited, Holding Company.

   To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Ganesh Explosives Private Limited ('GEPL') a holding of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and GEPL, for an aggregate value not exceeding `Rs. 6

crore during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

5. Material Related Party Transaction(s) between the Company and M/s Ganesh Explosives Private Limited, Holding Company.

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company an Rajesh Explosives Private Limited ('REPL') a the Company under same management and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and REPL, for an aggregate value not exceeding `Rs. 50 Lakh during the financial year 2023-24, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

6. Re-designate Mr. Gaurav Kumar as the Managing Director of the Company.

"RESOLVED THAT Mr. Gaurav Kumar, holding DIN: 08063422, Director of the Company, be and is hereby re-designated as Managing Director of the Company liable to retire by rotation.
RESOLVED FURTHER THAT Directors of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

7. To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

"**RESOLVED THAT**, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulations 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ashok Sarkar (DIN: 07892315) be and is hereby re-appointed as a Director and also as an Independent Director of the Company with effect from 27th July, 2023 for a period of five years or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.

8. To consider and, if thought fit, to pass the following resolution as a Special Resolution:-

"RESOLVED THAT, in accordance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, and Regulations 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Shivani (DIN: 07881480) be and is hereby re-appointed as a Director and also as an Independent Director of the Company not liable to retire by rotation with effect from 12th July, 2023 for a period of five years or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines."

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

Registered office:
4237/11, IInd Floor, Narendra Bhawan
1, Ansari Road, Daryaganj
Delhi – 110001
Date: 04.09.2023

By the order of Board
For Indo Gulf Industries Limited

Sd/-
Tanushree Purohit
Company Secretary

Notes and Instructions:

1. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars") has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through other audio-visual means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 40th Annual General Meeting ("Meeting" or "AGM") of the Company is being held through VC / OAVM on Friday, September 29, 2023, at 3:00 p.m. (IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company.

2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.

3. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

4. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.

5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 29th September, 2023.

6. Members may also note that the Notice of 40th Annual General Meeting and the Annual Report for the Financial Year 2022-23 are also available on the Company's website: www.indogulfindustries.com for download.

7. CS Sameer Kishor Bhatnagar, Practising Company Secretary (holding C. P. No. 13115), who consented to act as the Scrutiniser, was appointed by the Board of Directors as the Scrutiniser to conduct the voting process in a fair and transparent manner and submit a consolidated Scrutiniser's Report of the total votes cast, to the Chairman or a Director duly authorised in this regard.

8. In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the provisions of Regulation 44 of the Listing Regulations, the Company is pleased to provide its members facility to cast their votes on all resolutions set forth in the Notice of the AGM using electronic voting system from a place other than the venue of the AGM ('remote e-voting'), provided by Central Depository Services (India) Limited) and the business may be transacted through such voting. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.

9. The remote e-voting period commences on Tuesday, 26th September, 2023 at 9:00 A.M. and ends on Thursday, 28th September, 2023 at 5:00 P.M. During this period, members of the Company as on the cut-off date i.e. Friday, 22nd September, 2023, may cast their vote electronically. The e-voting module will be disabled by CDSL for voting thereafter. **A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.** Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast vote again.

10. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

11. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of this Notice and holding shares as on the cut-off date, may obtain the User ID and password by sending request at www.evotingindia.com and cast their vote.

12. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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

14. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

15. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a Director duly authorized and who shall declare the result of the voting forthwith.

16. In compliance with the Circulars, the Annual Report 2022-23, the Notice of the 40th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

Registered office:
4237/11, IInd Floor, Narendra Bhawan
1, Ansari Road, Daryaganj
Delhi - 110001

Date: 04.09.2023

By the order of Board
For Indo Gulf Industries Limited

Sd/-

Tanushree Purohit
Company Secretary

EXPLANATORY STATEMENT

Item No 4

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 4 of the accompanying Notice dated September 1, 2023. As an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 4 of the said Notice.

Details of the proposed RPTs between the Company and Ganesh Explosives Private Limited ('GEPL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

S.No	Description	Details of proposed RPTs between the Company and GEPL
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	Ganesh Explosives Private Limited ('GEPL') is the holding and promoter company of IGIL. GEPL is engaged in production of explosives and Safety fuses. It is a related party as on the date of this notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company and GEPL have entered into/propose to enter into the following RPTs during FY 2022-23, for an aggregate value not exceeding `6 crores (with funding transactions not exceeding `5 crore and operational transactions not exceeding `2 crore) • Unsecured loan • Leasing of Trucks • Sale/purchase of ammonium nitrate
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	.02%
2. Justification for the proposed RPTs		GEPL is the holding company and is engaged in the similar line of business. Further GEPL owns transportation trucks and hence the same is leased to IGIL for Transportation purposes. Also being in the same line of business the company sometimes may sale or purchase ammonium nitrate
3. Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its Holding.		
a.	Details of the source of funds in connection with the proposed transaction.	Own share capital / Internal accruals and liquidity of the Company.
b.	Where any financial indebtedness is incurred ➢ to make or give loans, inter-corporate deposits, ➢ advances or investments: ➢ Nature of indebtedness,	Not Applicable

➢ Cost of funds and ➢ Tenure	
c. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Leasing of Trucks @Rs. 8,00,000/- per month Unsecured Loan of around Rs. 4,00,00,000/-
d. The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet working capital requirements of GEPL
4. Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 5 given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would-be basis actual cost incurred.
5. Name of the Director or Key Managerial Personnel ('KMP') who is related, if any, and the nature of their relationship.	Rajesh Jain, director in IGIL is also director and shareholder of GEPL, hence a related party.
6. Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

Mr. Rajesh Jain, Director is concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 4 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 4 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 4 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No 5

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 4 of the accompanying Notice dated September 1, 2023. As an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 5 of the said Notice.

Details of the proposed RPTs between the Company and Rajesh Explosives Private Limited ('REPL'), including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

S.No	Description	Details of proposed RPTs between the Company and REPL
2. Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs		
d.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise).	Rajesh Explosives Private Limited (REPL') is company managed by Mr. Rajesh Jain and has him as common directo. REPL is engaged in production of explosives and Safety fuses. It is a related party as on the date of this notice.
e.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company and REPL have entered into/propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding `50 Lakh for • Leasing of Trucks
f.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	.01%
2. Justification for the proposed RPTs		Mr. Rajesh Jain who is Director & Shareholder of Indo Gulf Industries Limited is also a director shareholder of REPL and is engaged in the similar line of business. Further REPL owns transportation trucks and hence the same is leased to IGIL for Transportation purposes.
3. Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its Holding.		
c. Details of the source of funds in connection with the proposed transaction.		Own share capital / Internal accruals and liquidity of the Company.
d. Where any financial indebtedness is incurred ➢ to make or give loans, inter-corporate deposits, ➢ advances or investments: ➢ Nature of indebtedness, ➢ Cost of funds and ➢ Tenure		Not Applicable
c. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security		Leasing of Trucks @Rs. 2,00,000/- per month
d. The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT		To meet working capital requirements of REPL
4. Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered		The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note 5 given in the Notice

email address of the shareholder.	on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would-be basis actual cost incurred.
5. Name of the Director or Key Managerial Personnel ('KMP') who is related, if any, and the nature of their relationship.	Rajesh Jain, director in IGIL is also director and shareholder of REPL, hence a related party.
6. Any other information that may be relevant.	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

Mr. Rajesh Jain, Director is concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 5 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 5 of the Notice for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 5 of the Notice, whether the entity is a Related Party to the particular transaction or not

Item no 6

The Board of Directors of the Company ('the Board') at the meeting held on 11th August, 2023, on the recommendation of the Nomination & Compensation Committee, was redesignated as the Managing Director of the Company. Now it is recommended for the approval of the Members, the re-designation of Mr. Gaurav Kumar as the Managing Director as set out in the Resolution, on the following remuneration:

(I) Basic / Consolidated Salary - ` 40,000/- per month, with annual increment not exceeding 7.5% of the applicable Basic / Consolidated Salary, as may be determined by the Board; Mr. Gaurav Kumar will be eligible to receive first such annual increment effective 1st October, 2023.

(II) Performance Bonus - Not exceeding 100% of Basic / Consolidated Salary, payable annually for each financial year, as may be determined by the Board.

(III) Long Term Incentives - Annual value not exceeding 0.10% of the net profits of the Company for the immediately preceding financial year [computed in accordance with Section 198 of the Companies Act, 2013 ('the Act')], as may be determined by the Board.

(IV) Perquisites - In addition to the aforesaid Basic / Consolidated Salary, Performance Bonus and Long Term Incentives, Mr. Gaurav Kumar shall be entitled to perquisites like gas, electricity, water, furnishings, leave travel concession for self and family, club fees, personal accident insurance, sampling of the Company's products and services etc. in accordance with the rules of the Company, the monetary value of such perquisites being limited to ` 10,00,000/- per annum, for the purposes of which limit perquisites shall be valued as per the provisions of the Income-tax Act, 1961 ('IT Act') and the Rules thereunder, wherever applicable, and in absence of any such provision, perquisites shall be valued at actual cost. However, the following shall not be included in the aforesaid perquisite limit:

(a) Rent free accommodation owned / leased / rented by the Company, or Housing Allowance in lieu thereof, as per the rules of the Company.

(b) Contributions to Provident Fund and Superannuation Fund up to 27% of salary and contribution to Gratuity Fund up to 8.33% of salary, as defined in the rules of the respective Funds, or up to such other limit as may be prescribed under the IT Act and the Rules thereunder for this purpose.

(c) Perquisite value in terms of the IT Act and the Rules thereunder upon exercise of Options and / or Stock Appreciation Rights granted under the Company's Employee Stock Option Schemes and / or Employee Stock Appreciation Rights Scheme.

Item No 7

Re-appointment of Mr. Ashok Sarkar as an Independent Director

The Nomination and Remuneration Committee (NRC), after taking into account the performance evaluation of Ashok Sarkar during his first term of 5 (Five) years and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, has recommended to the Board his reappointment for a second term of 5 (five) years. The NRC has considered his diverse skills, leadership capabilities, expertise in governance, finance, risk management, tax & regulatory advisory, business reorganization, and vast business experience, among others, as being key requirements for this role. In view of the above, the NRC and the Board are of the view that Ashok Sarkar possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and hence, it is desirable to reappoint him as an independent director.

Based on the recommendation of the NRC, the Board, recommended the reappointment of Ashok Sarkar as an independent director, not liable to retire by rotation, for a second term of 5 (five) years effective July 27, 2023, to July 26, 2028 (both days inclusive). As per Section 149 of the Act, an independent director may hold office for two terms up to 5 (five) consecutive years each. Ashok Sarkar fulfills the requirements of an independent director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the LODR Regulations. The Company has received notice in writing pursuant to Section 160 of the Act, from a member proposing the reappointment of Ashok Sarkar for the office of independent director under the provisions of Section 149 of the Act. The Company has received all statutory disclosures / declarations from Ashok Sarkar, including (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules, (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act. In the opinion of the Board and based on its evaluation, Ashok Sarkar fulfils the conditions specified in the Act, and Rules made thereunder and LODR Regulations for his reappointment as an independent director of the Company and he is independent of the Management of the Company. The Board considers that the continued association of Ashok Sarkar would be of immense benefit to the Company and is desirable to continue to avail his services as an independent director. The resolution seeks the approval of members for the reappointment Ashok Sarkar as an independent director of the Company, for a second term of 5 (five) years effective July 27, 2023, to July 26, 2028, (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation. No director, KMP or their relatives except Ashok Sarkar, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 5. The Board recommends the special resolution as set out in Item no. 6 of this notice for the approval of members.

Item no 8.

Re-appointment of Ms. Shivani as an Independent Director

The Nomination and Remuneration Committee (NRC), after taking into account the performance evaluation of Shivani Naithani during his first term of 5 (Five) years and considering his knowledge, acumen, expertise, experience and substantial contribution and time commitment, has recommended to the Board his reappointment

for a second term of 5 (five) years. The NRC has considered his diverse skills, leadership capabilities, expertise in governance, finance, risk management, tax & regulatory advisory, business reorganization, and vast business experience, among others, as being key requirements for this role. In view of the above, the NRC and the Board are of the view that Ms. Shivani possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and hence, it is desirable to reappoint him as an independent director.

Based on the recommendation of the NRC, the Board, recommended the reappointment of Ms. Shivani as an independent director, not liable to retire by rotation, for a second term of 5 (five) years effective July 12, 2023, to July 11, 2028 (both days inclusive). As per Section 149 of the Act, an independent director may hold office for two terms up to 5 (five) consecutive years each. Ms. Shivani fulfills the requirements of an independent director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the LODR Regulations. The Company has received notice in writing pursuant to Section 160 of the Act, from a member proposing the reappointment of Ms. Shivani for the office of independent director under the provisions of Section 149 of the Act. The Company has received all statutory disclosures / declarations from Ms. Shivani, including (i) Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Appointment Rules, (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act. In the opinion of the Board and based on its evaluation, Ms. Shivani fulfils the conditions specified in the Act, and Rules made thereunder and LODR Regulations for his reappointment as an independent director of the Company and he is independent of the Management of the Company. The Board considers that the continued association of Ms. Shivani would be of immense benefit to the Company and is desirable to continue to avail his services as an independent director. The resolution seeks the approval of members for the reappointment of Ms. Shivani as an independent director of the Company, for a second term of 5 (five) years effective July 27, 2023, to July 26, 2028, (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation. No director, KMP or their relatives except Ms. Shivani, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 5. The Board recommends the special resolution as set out in Item no. 7 of this notice for the approval of members

Registered office:
4237/11, IInd Floor, Narendra Bhawan
1, Ansari Road, Daryaganj
Delhi - 110001

Date: 04.09.2023

By the order of Board
For Indo Gulf Industries Limited

Sd/-

Tanushree Purohit
Company Secretary

BOARD'S REPORT

Dear Shareholders,

Your Directors are pleased to present this Fortieth Annual Report of the Company together with the Audited Financial Statements and Auditors' Report thereon for the Financial Year ended March 31, 2023.

Financial Highlights

(Amount in Lakh)

Financial Results	**2022-23**
Net Sales	20,695.38
Other Income	36.32
Profit before finance costs, depreciation and tax	**826.33**
Finance costs	27.35
Depreciation and amortization expense	121.29
Tax expense	34
Profit/(Loss) before exceptional and extra-ordinary items	**643.69**
Exceptional item	0
Net Profit/(Loss)	**643.69**
Balance to be carried forward to next year's account	**643.69**

Performance, Future Outlook & Prospects

The Explosive Unit of the company located at Village Koti, Sukhwa & Prithi Pura, Babina, Distt. Jhansi The Company has achieved a total turnover of Rs 2,06.95,38,067/- during the year under scrutiny.

Dividend

In view of marginal Profit by the Company, the Directors regret for their inability to recommend dividend for the year under review.

Deposits

The Company has not accepted any deposit from the public and as such, there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of Loan, Guarantees or Investments with Related Parties

The Company has not lent out any loans given, Investments made, Guarantees given or Securities provided covered under the provisions of Section 186 of the Companies Act, 2013 for the year under review.

Directors

Pursuant to Section 152 and other applicable provisions of Companies Act, 2013, Mr. Rajesh Jain is liable to retire by rotation. Further being eligible he has offered himself to be re-appointed. The Board has re-appointed him as the Director of the Company.

Mr. Gaurav Kumar (DIN: 08063422), who was appointed as Additional director on 14th March, 2023 be regularised as Director in the ensuing AGM designated as Managing Director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.Resume and other information regarding the director seeking appointment/ reappointment as required by Listing Regulations and Secretarial Standard-2 has been given in the Notice convening the ensuing Annual General Meeting and Statement pursuant to Section 102 of the Act.

Section 149 read with Schedule IV of the Companies Act, 2013, and Regulations 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ashok Sarkar (DIN: 07892315) and Ms. Shivani (DIN: 07881480) be and are hereby re-appointed as Independent Directors for a term of 5 (Five) years.

The Board of Directors recommends the above appointment(s)/ reappointment(s) at the ensuing Annual General Meeting.

Familiarization Programme for Independent Directors

The Company at regular intervals familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The Familiarisation programme for Independent Directors is disclosed on the Company's website at www.indogulfindustries.com

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors state that:

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures,;

ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The Directors have prepared the annual accounts on a *going concern* basis;

v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

As per Regulation 15(2) of Listing Regulations, as the Paid up equity share capital of the Company is Rs. 95,67,270 and net worth is not exceeding Rupees Twenty Five Crores as on the last day of the previous financial year, the compliance with the corporate governance provisions as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 46(2)(b) – 46(2)(i) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not mandatory. Therefore, the Company has not enclosed the Compliance Report on Corporate Governance and the Certificate on the compliance of the Corporate Governance.

Management Discussion and Analysis

Pursuant to Para B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis Report is attached and forms part of this Report.

Share Capital and Finance

The Company has not issued and/or allotted any shares during the year under review. Borrowings The Company has not defaulted on payment of any dues to the financial lenders.

Particulars of Employees

A statement in terms of the provisions of Section 197(12) of the Act read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), is annexed herewith as **Annexure – 'I'**.

Further, Two Directors were paid remuneration during the year 2022-23.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The manufacturing units of the Company at Babina, Jhansi commenced operation from November 2018.The total units of electricity consumed during the financial year 1st April, 2022 to 31st March, 2023 was 1,16,646 KVAH amounting to Rs. 1,05,78,713/-. As the plant started in November 2018 therefore, no steps were taken for conservation of energy, capital investment in energy conservation equipment and technology absorption. Expenditure on research and development was nil. There were no foreign exchange earnings and outgo during the year.

Key Managerial Personnel

There were no changes in the Key managerial Personnel's during the financial year under review.

Number of meetings of the Board

The Board met 5 times on 30.05.2022, 12.08.2022, 01.09.2022, 14.11.2022, 31.01.2023 during the Financial Year 2022-2023. The gap between any two consecutive meetings was not exceeding 120 days.

Number of Board meetings attended by the directors are as under:

Name of the Directors	Category	No. of meetings attended
Mr. Rajesh Jain	Non-Independent, Non-Executive Director	5
Mr. Ashok Sarkar	Independent, Non-Executive Director	3
Ms. Shivani Naithani	Independent, Non-Executive Director	5
Mr. Sanjay Chaudhary	Non-Independent, Executive Director	5
Mr. Guarav Kumar	Non-Independent, Executive Director	5

Audit Committee

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and perform the following functions: overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement are correct, sufficient and credible, reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval, reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company, recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services.The Audit Committee constituted by the Company has the terms of reference as provided in the Companies Act, 2013 and Listing Regulations. The committee composition is:

1) Mr. Rajesh Jain Chairman
2) Mr. Ashok Sarkar Independent
3) Ms. Shivani Naithani Independent

During the financial year ended 31st March 2023, there were no instances of the Board not accepting the recommendations of the Audit Committee. The Audit Committee met 4 times on 30.05.2022, 12.08.2022, 14.11.2022, 31.01.2023 during the financial year 2022-23. The Statutory Auditors of the Company are invited to the Audit Committee meetings for discussing the financial results and financial statements.

Number of Audit Committee meetings attended by the directors:

Name of the Directors	**Position**	**No. of meetings attended**
Mr. Rajesh Jain	Chairman	4
Ms. Shivani Naithani	Member	4
Mr. Ashok Sarkar	Member	4

The Company has in place a whistleblower policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments The Board of Directors of the Company have constituted "Nomination and Remuneration Committee" in terms of Section 178 of the Companies Act, 2013 and as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Nomination and Remuneration Committee comprising of the following Committee Members:

Mr. Rajesh Jain Chairman/ Executive Director
Mr Ashok Sarkar Non Executive, Independent
Ms. Shivani Naithani Non Executive, Independent

The Nomination & Remuneration Committee did not me during the Financial Year 2022-23.

Name of the Directors	**Position**	**No. of meetings attended**
Mr. Rajesh Jain	Chairman	0
Ms. Shivani Naithani	Member	0
Mr. Ashok Sarkar	Member	0

Share Transfer Committee

The Share Transfer Committee constituted by the Board looks into matters such as transfer of shares, transmission of shares, etc,

The Share Transfer Committee did not met during 2022-23 as there were no share transfer during the year.

Policy on Directors' Appointment and Remuneration

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub section (3) of Section 178 of the Companies Act, 2013 is annexed in Nomination and Remuneration Policy.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, of the individual directors as well as the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. The Nomination & Remuneration Committee also reviewed the performance of all directors. Evaluation was done on the basis of questionnaire prepared, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees etc.

Independent Directors in its separate meeting also reviewed the performance of the Chairperson and the Board of directors as a whole and also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board. There are no non-independent directors, so review of the performance of Non-Independent Directors in its separate meeting was not required.

Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as of March 31, 2023, on its website at www.indogulfind.com.

Significant and Material Order

There are no significant/material orders passed by any regulator/court/tribunal which could impact on the going concern status of the Company and its future operations.

Prevention of Sexual Harassment of Women at Workplace & Complaints received by the Sexual Harassment Committee

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") along with the Rules made thereunder the Company has in place a policy in line which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. Internal Complaints Committee (ICC) has been set up to redress any complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. No complaint was received during the year and no complaint was pending to be resolved as on 31.03.2023.

Vigil Mechanism

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations. Your Company's Whistleblower Policy encourages Directors and employees to bring to your Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of your Company, or actual or suspected instances of leak of unpublished price sensitive information that could adversely

impact your Company's operations, business performance and/ or reputation. The Policy requires your Company to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

Secretarial Standards

The Company has complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1), Revised Secretarial Standard on General Meetings (SS-2) and other voluntarily adopted Secretarial Standards such as Secretarial Standard on Dividend (SS-3), Secretarial Standard on Report of the Board of Directors (SS-4) issued by Institute of Company Secretaries of India

Secretarial Auditors and Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, M/s Samir Bhatnagar & Companny, Practicing Company Secretary, was appointed to undertake the secretarial audit for the financial year 2022-23. The Secretarial Audit Report for the financial year 2022-23 is attached as **Annexure "II"** and forms a part of the report of the Board. In relation to observations made in the Secretarial Audit Report, we inform that the Company during the year, had no operations and all the units of the Company are closed. Consequently, the Company has incurred cash losses during the year under review. Therefore, in view of the non-availability of funds, the Company could not comply with the provisions of the Companies Act, 2013 and the Listing Regulations.

No internal auditor has been appointed by the Company in terms of provisions of Section 138, of the Companies Act, 2013.

Auditors & Auditors' Report

The observations of Auditors in their Report dated 30th May, 2023 read with the relevant notes to accounts are self-explanatory and do not require any further explanation.

M/s Hemant Arora & Co. LLP Chartered Accounts were appointed as the Statutory Auditors of the Company till the conclusion of 44th AGM i.e till the conclusion of Annual General Meeting Scheduled to be held in the year 2026-27.

Risk Management

a) The Risk Management committee assists the Board in ensuring that all material risks including but not limited to the risks related to business operations, cyber security, safety, compliance and control financials have been identified, assessed and adequate risks mitigation control are in place. It takes into consideration the nature, scale and complexity of the business. Policy on risk assessment and minimization procedures is annexed as ***Annexure-III***

General

a) The Company is not required to constitute CSR Committee under the provisions of the Companies Act, 2013.
b) The Company has disclosed its related party transactions which may have potential conflict with the interests of the Company at large. Thus, disclosure in Form AOC-2 is Annexed as ***Annexure-IV***
c) There were no material changes and commitments between the end of financial year and date of report.
d) The Company has in place adequate internal financial control with reference to the financial statements.

Green Initiatives

Electronic Copies of the Annual Report 2022-23 and Notice of the 39th Annual General Meeting are sent to all the members whose email addresses are registered with the Company/ Depository Participant(s).

Acknowledgements

Your directors wish to place on record their appreciation for co-operation and support extended by all concerned stakeholders.

By order of the Board
For **INDO GULF INDUSTRIES LIMITED**

Place: New Delhi

Date: 30.05.2023

Sd/-	Sd/-
Sanjay Choudhary	**Rajesh Jain**
Director	Director
DIN: 08719847	DIN: 01200520

Annexure- I

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP'S AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

I. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2022-23:

S.No	Name of Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in remuneration
1	Sanjay Chaudhary	Managing Director	27.87	10
2	Gaurav Kumar	Director	1.59	10

II. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23:

Mr. Sanjay Chaudhary and Gaurav Kumar, Director was paid remuneration during the year. Further, there was no increase in the remuneration of Company Secretary during the Financial Year 2022-23. Hence, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2022-23 is not provided.

III. The percentage increase in the median remuneration of the employees in the financial year 2022-23:

There are 4 employees on the payroll of the Company. Further, there was no increase in the remuneration of the employee during the Financial Year 2022-23 Hence, percentage increase in the median remuneration is not provided.

IV. The number of permanent employees on the rolls of the Company:

There were 97 permanent employees on the rolls of the Company for the Financial Year 2022-23.

V. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in Managerial Remuneration:

Since, none of the employee had completed full year of service, no increment was done in the last financial year. Further, there was no change in the managerial remuneration.

Hence, the same is not applicable.

VI. Affirmation that the Remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

Statement as per Rule 5(2) of The Companies (Appointment and Remuneration of Managerial personnel) Rules 2014

Sl No.	Name	Age (years)	Designation/ Nature of Duties	Gross Remuneration (Rs in lakhs)/ salary per month	Qualification	Total Experience (years)	Date of commencement of employment	Previous Employment
A.	**Details of top ten Employees in terms of remuneration drawn for the financial year ended 31st March 2023**							
1	Mr. B.D. Agarwal	56 years	President and CFO	19,80,000/-	Graduate	Approx 30 years	01/08/2016	N/A
2	Ms. Tanushree Purohit	33 years	Company Secretary	120,000/-	C.S	5 Years	31.01.2020	N/A
3	Sukant Pandey	62 years	General Manager	10,20,000/-	Graduate	Approx. 30 years	NA	NA
4	Birendra Narayan Sachan	50 Years	Manager	9,36,000/-	Graduate	15 Years	NA	NA
5	Sriniwas Reddy	51 years	Manager	10,08,000/-	Graduate	17 Years	NA	NA
6	Archana Srivastava	38 years	Adnimistrative Officer	5,31,000	M. Com	15 years	NA	NA
B	**Details of Employee employed throughout the year and in receipt of remuneration not less than Rs.10,200,000/- p.a.**							
Sl No.	**Name**	**Age (years)**	**Designation/ Nature of Duties**	**Gross Remuneration (Rs in lakhs)**	**Qualification**	**Total Experience (years)**	**Date of commencement of employment**	**Previous Employment**
1.	NA	NA	NA	NA	NA	NA	NA	NA
C	**Details of Employee employed part of the year and in receipt of remuneration not less than Rs. 850,000/- p.m.**							

1	NA	NA	NA	NA	NA	NA	NA	NA

Note:

1. None of the Employee are holding any Equity Share in the Company.
2. None of the Employee are relative of any Director or manager of the Company.

Annexure II to the Directors' Report

SECRETARIAL AUDIT REPORT

SAMEER KISHORE BHATNAGAR
COMPANY SECRETARY

Form MR-3
[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2023

To,
The Members
M/s Indo Gulf Industries Limited
4237/11, IInd Floor, Narendra Bhawan 1,
Ansari Road, Daryaganj Delhi - 110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Indo Gulf Industries Limited (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing my opinion thereon.

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

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

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

Off. No.: 314, Rajendra Place, New Delhi – 110008
M. No. +91-9953136262, 7838855568; E-mail ID: csskbhatnagar@gmail.com

a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ***Not applicable to the Company during the period of audit.***
d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***Not applicable to the Company during the period of audit.***
e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ***Not applicable to the Company during the period of audit.***
f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993,regarding the Companies Act and dealing with client;
g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***Not applicable to the Company during the period of audit.***
h. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***Not applicable to the Company during the period of audit.***

vi. Other specific laws applicable to the Company are:
1. Factories Act, 1948
2. Employees State Insurance Act, 1948 and the rules made there under
3. The Contract Labour (Regulation and Abolition) Act, 1970
4. Environmental Pollution Act, 1986
5. The Electricity Act, 2003
6. The Industrial Dispute Act, 1947
7. The Child Labour Act, 1970
8. The Water (Prevention and Control of Pollution) Act, 1974 read with Water (Prevention and Control of Pollution) Rules, 1975
9. Environment Protection Act, 1986
10. Air (Prevention and Control of Pollution) Act, 1981 read with Air (Prevention and Control of Pollution) Rules, 1982.

We have also examined the compliance with the applicable clauses of the following:
a. Secretarial Standards issued by the Institute of Company Secretaries of India.
b. The Listing Agreements entered into by the company with the stock exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

We further report that:
1. No Internal Auditor has been appointed by the Company in terms of provisions of Section 138 of the Companies Act, 2013.
2. The company is not maintaining proper website which is mandatory for a Listed Company.

3. Independent directors have not taken the exam and not registered until now.
4. The Shareholding of the Holding Company M/s Ganesh Explosives Private Limited is fraudly pledged on account of Karvy Scam, as the shares were demat with Karvy Stock Broking.
5. The Company has not appointed Cost Auditor and No Cost Audit have been commenced till now.
6. Regulation 33: Non-submission of the financial results within the period prescribed under this regulation and penalized for Rs. 2,53,700/-.

We further report that:

The Constitution of Board of Directors of the Company is not as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations. There were changes in the composition of the Board of Directors i.e Addition of Mr. Gaurav Kumar as Additional Director on 14.03.2023 that took place during the year under review.

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

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

A detailed list of ongoing cases of the company is attached as Annexure –I with this report.

We further report that during the audit period there were no instances of:-

a. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
b. Redemption / buy-back of securities.
c. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
d. Merger/ amalgamation/ reconstruction, etc.
e. Foreign technical collaborations.



Sameer Kishore Bhatnagar
Practicing Company Secretary
M. No. 30997
CoP No. 13115
UDIN: A030997E000827100

Place: New Delhi
Date: 19-08-2023

ANNEXURE – A

To,
The Members
M/s Indo Gulf Industries Limited
4237/11, IInd Floor, Narendra Bhawan 1,
Ansari Road, Daryaganj Delhi - 110001

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5. The compliance of the Provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

****

Annexure III

RISK MANAGEMENT POLICY

1. INTRODUCTION

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improvise the governance practices across the activities of Indo Gulf Industries Limited. (the Company). Risk management policy and processes will enable the Company to proactively manage uncertainty and changes in the internal and externalenvironment to limit negative impacts and capitalize on opportunities.

2. OBJECTIVE OF POLICY

The Company being in the explosives sector is prone to inherent business risks. The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

This document is intended to formalize a risk management policy, the objective of which shall be identification, evaluation, monitoring and minimization of identifiable risks.

This policy is in line with Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires the Company to lay down procedures for risk assessment and risk minimization.

3. DEFINITIONS

"Audit Committee" means "Audit Committee" constituted under Section 177 of the Companies Act, 2013 by the Board of Directors of the Company, and the provisions of Listing Agreement entered into with the Stock Exchanges.

"Board" means Board of Directors of Nazara Technologies Limited.

"Company" means Nazara Technologies Limited.

"Risk" is defined as the chance of a future event or situation happening that will have an impact upon company's objective favorably or unfavorably. It is measured in terms ofconsequence and likelihood.

"Risk Management" encompasses risk assessment plus the evaluation of risks against established tolerances, their treatment and monitoring.

4. RISK APPETITE

A critical element of the Company's Risk Management Framework is the risk appetite, which is defined as the extent of willingness to take risks in pursuit of the business objectives.

The key determinants of risk appetite are as follows:

i. Shareholder and investor preferences and expectations;
ii. Expected business performance (return on capital);
iii. The capital needed to support risk-taking;
iv. The culture of the organization;
v. Management experience along with risk and control management skills;
vi. Longer-term strategic priorities.

Risk appetite is communicated through the Company's strategic plans. The Board and management monitor the risk appetite of the Company relative to the Company's actualresults to ensure an appropriate level of risk tolerance throughout the Company.

5. RISK MANAGEMENT FRAMEWORK

The Company believes that risk should be managed and monitored on a continuous basis. As a result, the Company has designed a dynamic risk management framework to allow to manage risks effectively and efficiently, enabling both short term and long term strategic and business objectives to be met.

The Company's approach to risk management is summarized as below:

a) Identification of risks

To ensure key risks are identified, The Company:

- defines the risks in context of the Company's strategy;
- documents risk profiles, including a description of the material risks; and
- regularly reviews and updates the risk profiles.

The Company's Risk Profile is summarized below.

b) Assessment of risks

The Risk assessment methodology shall include:

- collection of information;
- Identification of major risks;
- Rating of each risk on the basis of;
- Consequence Exposure Probability
- prioritization of risks;
- Function-wise exercise on risk identification, risk rating, and control;
- Function-wise setting the level of responsibility and accountability.

c) Measurement and control

Identified risks are then analyzed and the manner in which the risks are to be managed and controlled are then determined and agreed. The generally accepted options are;

- accepting the risk (where it is assessed the risk is acceptable and where avoiding the
- risk presents greater risk through lost opportunity);
- managing the risk (through controls and procedures);
- avoiding the risk (through stopping the activity);
- transferring the risk (through outsourcing arrangements);
- Financing the risk (through insurance arrangements).

d) Continuous assessment

The Company's Risk Management Framework requires continuing cycle of implementing, monitoring, reviewing and managing the risk management processes.

6. RISK PROFILE

The identification and effective management of risks is critical in achieving strategicand business objectives of the Company. The Company's activities give rise to abroad range of risks which are considered under the following key categories ofrisk:

6.1 Strategic Risks

- Lack of responsiveness to the changing economic or market conditions, including commodity prices and exchange rates, that impact the Company's operations;
- Ineffective or poor strategy developed;

- Ineffective execution of strategy.

6.2 Financial Risks

- Financial performance does not meet expectations;
- Capital is not effectively utilized or managed;
- Cash flow is inadequate to meet financial obligations;
- Financial results are incorrectly accounted for or disclosed; and
- Credit, market and/or tax risk is not understood or managed effectively.

6.3 Operational Risks

- Difficulties in commissioning and operating a particular business;
- Unexpected increase in the costs of the components required to run abusiness;
- Adverse market conditions;
- Failure to meet the expenditure commitments on prospecting/ marketingparticular business;
- Inadequate or failed internal processes, people and systems for running aparticular business.

6.4 Investment Risks

- Failure to provide expected returns for defined objectives and risk such asunderperforming to the stated objectives and/or benchmarks.

6.5 People's Risk

- Inability to attract and retain quality people;
- Inadequate succession planning;
- Inappropriate work culture& ethics;
- Inefficient whistle blower mechanism and;
- Inappropriate policy for woman safety at work place.

6.6 Legal and Regulatory Risks

- Legal / Commercial rights and obligations are not clearly defined ormisunderstood; and
- Commercial interests not adequately protected by legal agreements.

6.7 Compliance Risks

- Non-conformance with or inability to comply with rules, regulations,prescribed practices, internal policies and procedures or ethical standards.

7. GOVERNANCE STRUCTURE

- The Company's Risk Management Framework is supported by the Board ofDirectors, Management and the Audit Committee.

a) Board of Directors

The Board will undertake the following actions to ensure risk is managedappropriately:

- The Board shall be responsible for framing, implementing and monitoring therisk management plan for the company;
- Ensure that the appropriate systems for risk management are in place;
- Participate in major decisions affecting the organization's risk profile;
- Have an awareness of and continually monitor the management of strategic risks, financial risks, operational risks, investment risks, people's risk, legal and regulatory risks and compliance risks;
- Be satisfied that processes and controls are in place for managing less significant risks;
- Be satisfied that an appropriate accountability framework is working whereby any delegation of risk is documented and performance can be monitored accordingly;
- Ensure risk management is integrated into board reporting and annual reporting mechanisms.

b) Management

- Management is responsible for monitoring and whether appropriate processes and controls are in place to effectively and efficiently manage risk,so that the strategic and business objectives of the Company can be met;
- To assist the Board in discharging its responsibility in relation to risk management;
- When considering the Audit Committee's review of financial reports, the Board receives a written statement, signed by the Managing Director and Chief Financial Officer (or equivalents), that the Company's financial reports give a true and fair view, in all material respects, of the Company' s financial position and comply in all material respects with relevant accounting standards. This statement also confirms that the Company's financial reportsare founded on a sound system of risk management and internal control andthat the system is operating effectively in relation to financial reporting risks;
- Reporting to the Board of Directors consolidated risks and mitigation strategies on a half yearly basis.

c) Audit Committee

- The Committee is delegated with responsibilities in relation to risk management and the financial reporting process of the Company;
- The Committee is also responsible for monitoring overall compliance withlaws and regulations.

8. REVIEW OF THE POLICY

The Board will review this Policy from time to time to ensure it remains consistent with the Board's objectives and responsibilities.

9. PUBLICATION OF POLICY

The key features of the Policy will be published in the Annual Report

Annexure-IV

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Ganesh Explosives Private Limited
b)	Nature of contracts/arrangements/transaction	GEPL - Leasing of Trucks, Unsecured Loan
c)	Duration of the contracts/arrangements/transaction	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	GEPL - Leasing of Trucks at Rs. 8 lac per month, Unsecured loan – 3 cr Annual.
e)	Justification for entering into such contracts or arrangements or transactions	GEPL is the holding company of IGIL
f)	Date of approval by the Board	30.05.2022
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	29.09.2022

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

This year also Company could not start its business activities due to financial and other factors beyond the control of management of the Company. The financial year 2022-23 closed at a net profit of Rs. 6.43.69/- (amount in Lakhs) as compared to net profit of Rs. 162.11/- (amount in Lakh) in the preceding financial year.

Industry Structure and development:-

India, a potential market for industrial explosives and its accessories, has witnessed a radical shift from complete import dependence in the past decades to self sufficiency with an exportable surplus presently. The explosives industry in India is robust with an exportable surplus. Rising construction activities and significant growth of the mining industry is expected to further boost the demand for various materials such as coal, electricity and cement. This in turn will lead to an increase in the consumption of explosives.

Industry Prospect and Outlook

Global industrial explosives industry Industrial explosives are used in blasting that are typically employed in mining and construction. Explosives in mining have the biggest market share and may be found in coal mining, quarrying, non-metal mining, and metal mining. The market is witnessing growth, due to the rising demand for blasting materials from the mining and construction industry. Increasing population and rapid urbanization are ensuring significant opportunities for ongoing and upcoming Industrial and commercial projects, which need explosives for various purposes. With inflation on a declining path ongoing and upcoming Industrial and commercial projects, which need explosives for various purposes. It is expected to drive the Industrial Explosives market substantially during the forecast period. With a CAGR of 5.4%, the global industrial explosives industry is expected to grow to more than US$ 16 billion, between 2023 and 2028.

Indian Explosives Industry

Below are the growth drivers for the Indian explosives industry and where IGIL is involved -:

Roads and infrastructure sector:-

India has the second-largest road network in the world at about 62.16 lakh km. The Nation's pride, the visionary project of Atal Tunnel that runs under the 'Rohtang Pass' which was constructed on the 'Manali – Leh' Highway under the challenging conditions of freezing temperatures in extremely difficult terrain, has officially been certified by the World Book of Records, as the 'World's Longest Highway Tunnel above 10,000 Feet'.

Outlook –

Outlook The budget for FY 2023-24 has signalled a renewed focus on infrastructure and housing, with a significant increase in the outlay for Roads and Highways. The allocation for this sector has been raised from H 1,99,000 crore to H 2,70,000 crore, indicating a strong commitment to the development of National Highways in the country. This increased investment is set to give a substantial boost to the National Highway Construction Sector. In FY 2022-23, the National Highway construction fell short of its target of 12,000 KM due to land acquisition issues. However, the Ministry plans to construct 14,000 KM of highways in FY 2023-24. The development of rural roads under the Gram Sadak Yojana will also receive significant attention in the coming year.

Mining:-

The mining sector in India is one of the country's most important. Many key businesses rely on it for essential raw materials. India has 1,531 active mines and produces 95 minerals, including four fuels, ten metallic, twenty-three nonmetallic, three atomic, and 55 minor minerals (including building and other materials). Based on the country's geological mapping, an area of 571,000 square kilometres (out of a total of 3.1 million square kilometres) has been designated as an Obvious Geological Potential (OGP) area, where the geological potential for the occurrence of mineral deposits is greater. Minerals such as manganese, lead, copper, and alumina are predicted to expand by double digits in the next few years. There is significant scope for new mining capacities in iron ore, bauxite, and coal. Since major reforms in the Mining Policy from 2021, 108 Mineral Blocks other than Coal have been auctioned. India is the World's second largest Coal producer and Fifth largest in Country in terms of Coal deposit. India's target is 1.2 Billion Tons Coal Production by FY 2024-25. Country's Coal Production has increased considerably from 646 Million Tons in 2014 to 893 Million Tons in FY 2022-23. Coal India the World's largest Coal producer produced 703.22 Million Tons in F-23 registering an increase 12.94% over previous year. The other public sector coal company Singareni Collieries registering an all time high production of 67.14 Million Tons registering an increase of 3.26. The major growth have been in the private and captive mines which produced 122.38 Million Tons registering a massive growth of 35.14%. This substantial growth has considerably increased the availability of Coal to the Power Sector. Despite this increase, the country's coal imports have also risen, highlighting the need for continued efforts to reduce dependence on foreign coal.

Outlook –

Outlook To achieve the government's aim of eliminating the need for steam coal imports, there is a renewed focus on increasing production from Coal India and private sector mines. The Coal Ministry has set a target of 1017 Million Tons for the year 2023-24 and the target set for Coal India is 780 Million Tons, Singareni Collieries 75 Million Tons and Private & Captive Mines is 162 Million Tons. Coal India has planned a Capital expenditure of H 16,500 crore for the year F-24 and accelerating rail connectivity for major mines under PM Gati Shakti. The Coal Ministry is also undertaking 52 First Mile Connectivity projects for Coal India, Singareni Collieries, and Neyveli. Additionally, 133 blocks will be up for auction in the 6th and 7th Tranche of Commercial bids, with 15 blocks planned for MDOs. All of these initiatives demonstrate the country's determined efforts to meet the rising demand for power by increasing coal production. Coal India's capital expenditure for the year is also significant, reflecting the government's commitment to the industry's growth. Overall, the coal industry is poised for growth, and with continued support, it will play a vital role in powering the nation's progress.

Segment wise or Product wise performance

The Company has been carrying out business activity during the year under review. However, the company's primary business is manufacture of 'explosives' as a single business segment. The company has achieved a turnover of Rs. 2095.93/- during the year under review.

Opportunities and Threats

Opportunities:

- The Government's thrust on indigenous defence manufacturing under the "Make in India" initiative and the proposed amendments in the Defence Procurement Policy 2016 demonstrate rising opportunity for the Company's growth.
- Increase in coal demand The country's energy needs will rise in the future as a result of urbanisation and economic growth. In the foreseeable future, coal would continue to be the

dominant source for supplying India's expanding electricity needs, despite rising investments in renewable capacity.

- Government schemes - The government's focus on "Make in India" to establish "Atmanirbhar Bharat" is expected to decrease import dependency and raise domestic demand for India's defence industry. The government further aims to support MSMEs in the defence export sector through favourable policies and initiatives. The government liberalised and authorised FDI under automatic route up to 74% and through government route up to 100% where it is likely to lead an access to modern technology.

- Infrastructure investments The government's Gati Shakti master plan for multimodal connectivity is expected provide major impetus to the infrastructure sector. A capital outlay of H 10 lakh crore has been allocated by the government in Union Budget 2023-24 for infrastructure development which would boost the economic growth and aid the industry18. The development of Smart Cities is also likely to increase investments in infrastructure

- Shrinking global economies provide opportunity for new competitive player to enter into the market.

Threats:

At this point, there aren't any significant risks to the long-term viability of IGIL's business. Driven by robust financials good operational efficiencies, and improved intellectual capital capabilities, IGIL is well positioned to keep providing value to stakeholders. However, supply chain constraints and geopolitical ambiguity are important dangers that could result in short-term economic difficulties.

Risk and Concerns

Risk is an integral part of the business process. To enhance the risk management process, the company has mapped the risks. Risk arises for achieving business objectives are identified and prioritized. Risk mitigation activity plans are established and executed as and when need arises. Periodical reviews are carried out to assess the risk levels. The Board at IGIL continues to be in charge of risk management and internal control, with a focus on defining the company's risk appetite, regularly assessing and monitoring key risks, and reviewing reports generated by internal auditors on internal controls and risk reports

Internal Control System and their Adequacy

The Company has in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance. The Company has an Audit Committee in place which guides and provides proper measure for controlling the affairs of the Company.

Human Resource

Your company has 97 employees as on 31st March, 2023. Relations between the management and employees have been cordial. Your company maintains a work environment that is free from any harassment.

HEMANT ARORA & CO. LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Indo Gulf Industries Limited,

Report on the Audit of financial statements

1. Opinion

We have audited the accompanying standalone financial statements (the "financial statements") of Indo Gulf Industries Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2023, and the Statement of Profit and Loss, Statement of Changes in Equity and the 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 explanation given to us, the aforesaid financial statements give the information required by the Companies Act, 2013(the "Act"), in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the company as at 31stMarch, 2023;
(b) in the case of the Statement of Profit & Loss, of the profit for the year ended on that date;
(c) in the case of the Statement of Changes in Equity, of the changes in equity during the year ended on that date; and
(d) in the case of the Statement of Cash Flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (the "SAs") specified under Section143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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.

3. Emphasis of Matter

We draw attention to following notes to the Standalone Financial Statements:

i. Note no. 24 (4) (iii), with respect to the ongoing disputes/ demands rasised on the company under Sales Tax, Excise, Income tax etc. Based on the legal opinion the company has disputed such levies and is contesting the same at various forums.

4. Key Audit Matter

Key audit matters are those matters which in our professional judgement were of most significance in our audit of these Standalone Financial Statements of the current period. These matters were addressed in the context of our audit as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the below matters to be the key audit matters to be communicated in this report:

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Key Audit Matter	How our audit addressed the matter
Litigations and Claims Litigation and claims are pending with multiple tax and regulatory authorities. In the normal course of business, financial interest or exposures may arise from pending legal/ regulatory proceedings. Whether a claim needs to be recognized as a liability or discosed as a contingent liability in the Standalone Financial Statements or is considered as remote, is dependent on a number of significant assumptions and judgements made by the management. The amount s involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. We have considered Litigations and claims as Key Audit Matter because the estimates on which these amounts are based involve a significant degree of management judgement, including accounting estimates that involves high estimation uncertainity.	Our audit procedures included the following: Understood managements's internal instructions, process and control for determining and estimating the tax litigations, other litigations and claims at its appropriate accounting and /or disclosure. Discussed pending matters with the company's personnel with respect to the status of cases of litigations and claims. Assesesd management's conclusions through understanding precedents set in similar cases, wherever obtained by the management. We have assessed the adequacy and appropriateness of recognition, measurement, presentation, and disclosure of contingent liabilities in the Standalone Financial Statements.

5. Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

6. Responsibilities of Management and Those charged with Governance for the Financial Statements

The Company's Board of Director's is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting standards specified under Section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the

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Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

7. Auditor's Responsibilities for the audit of the financial statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify andassess the risksof material misstatementof the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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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.

8. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the ***"Annexure A"*** a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   (a) we have soughtand obtained section, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit;

   (c) the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equitythe Statement of Cash Flows and notes to the standalone financial statements 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, read , read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) on the basis of written representations received from the directors as on 31st March, 2023, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act;

   (f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"*Annexure B*"**;

   (g) the company has not paid any managerial remuneration to its directors and thus, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;

   (h) with respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial positions in the financial statements Refer *Note no.24(4)(iii)* tothe financial statements.

      ii. The Company does not have any long-term contracts including derivatives contracts, for which there were any material foreseeable losses as required under the applicable law or accounting standards;

      iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entities, including foreign

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entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that were 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 (a) and (b) contain any material misstatement.

v. The company has not declared or paid any dividend during the year. Hence, the company is not required to comply with the provision of Section 123 of the Act.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under clause 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For **HEMANT ARORA &CO. LLP**
CHARTERED ACCOUNTANTS
Firm Registration No. 002141C/C400006

Place: Dehradun
Date: 30.05.2023
UDIN: 23408066BGTYFT3421

Kamal Nagpal
Partner
M. No.408066

HEMANT ARORA & CO. LLP
Chartered Accountants

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***Annexure B** – to the INDEPENDENT AUDITOR'S REPORT*
(Referred to in *paragraph 1(h)*, under *'Report on Other Legal and Regulatory Requirements'* section of our report to the Members of Indo Gulf Industries Limited of even date of even date)

We have audited the internal financial controls over financial reporting of the Company as of 31stMarch, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

1. Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

2. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") and the SAs, issued by Institute of Chartered Accountants of India and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting.

3. Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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4. Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

5. Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31stMarch, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **HEMANT ARORA & CO. LLP**
CHARTERED ACCOUNTANTS
Firm Registration No. 002141C/C400006

Place: Dehradun
Date: 30.05.2023
UDIN: 23408066BGTYFT3421

Kamal Nagpal
Partner
M. No.408066

HEMANT ARORA & CO. LLP
Chartered Accountants

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***Annexure A** – to the INDEPENDENT AUDITOR'S REPORT*
(Referred to in *paragraph 3*, under *'Report on Other Legal and Regulatory Requirements'* section of our report to the Members of Indo Gulf Industries Limited of even date of even date)

Report on the Companies (Auditor's Report) Order, 2020, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Indo Gulf Industries Limited ("the Company"):

In respect of the Company's Property, Plant and Equipemnt (PPE) and Intangible Assets:

i. (a) A. the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

B. the company has maintained proper records showing full particulars of Intangible Assets.

(b) all major property, plant and Equipment of the Company has been physically verified by the management at reasonable intervals. According to the information and explanations given to us no material discrepancies were identified on such verification;

(c) according to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in the facour of the lessee) are held in the name of the company;

(d) the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible aasets or both during the year;

(e) according to the information and explanation given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.

ii. according to the information and explanations given to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verification.

iii. according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not granted any loan, secured or unsecured to the companies, firms, Limited Liability partnerships or other parties covered under Section 189 of the Companies Act, 2013 during the year. Therefore, paragraph 3(iii) of the Order is not applicable to the Company.

iv. in our opinion and according to the information and explanations given to us, the company has not advanced loan to directors to a company in which the Director is interested to which provision of section 185 and 186 of the Companies Act 2013 apply and hence not commented upon. Therefore, paragraph 3(iv) of the order is not applicable to the Company:

v. according to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not accepted any deposits from the public and hence the provisions of Section 73 to 76 or other relevant provisions of the Companies Act, 2013 are not applicable.

vi. in our opinion and according to the information and explanations given to us, the company is required to maintain cost records and conduct Cost Audit as prescribed by Central Government under section 148(1) of the Companies Act, 2013. During the year the Company has maintained Cost Records, however, we have not made a detailed examination of the said accounts and records with a view to determine whether they are accurate or complete;

vii. in respect of statutory dues:

(a) according to the information and explanations given to us and on the basis of examination of records the company has been regular in depositing the undisputed statutory dues including provident fund, employee's state insurance, income-tax, service-tax, sales-tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues with the appropriate authorities during the period;

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(b) according to the records of the Company, the dues outstanding of income tax, sales tax, service tax, custom duty, excise duty and cess on account of any dispute which have not been deposited by the cpmpany on account of any disputes pending before appropriate authorities are detailed in attached ***Appendix- 1.***

viii. according to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. according to the information & explanation given to us, the Company has availed a Vehicle Loan from Bank.

(a) during the year the Company has not defaulted in the payments of loan instalments

(b) the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) loan have been used for the object for which they were obtained.

(d) on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for longterm purposes by the Company.

(e) on an overall examination of the financial statements of the Company, the Company has not specifically taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associates or joint ventures.

(f) the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associates or joint ventures.

x. In respect of the money raised:

(a) the Company has not raised moneys by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year;

(b) according to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi. In respect to the frauds reporting:

(a) according to the information and explanation given to us, any fraud by the Company or any fraud on the Company has not been noticed or reported during the year;

(b) according to the information and explanation given to us, no report under section 143(12) of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) according to the information and explanation given to us, no whistle-blower complaints received during the year by the Company.

xii. the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company;

xiii. according to the information and explanations given by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards;

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xiv. according to the information and explanation given to us, the Company has no Internal Audit System. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. in our opinion and according to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him.Thus the provisions of Section 192 of the Companies Act, 2013 are not applicable. Therefore, paragraph 3(xv) of the Order is not applicable to the company;

xvi. (a) the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) the Company has not conducted any NonBanking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India.

(d) there are no Core Investment Companies as a part of the Group.

xvii. in our opinion and according to the information and explanations given to us and on the basis of examination of books of accounts, the Company has not incurred cash losses during the current and immediately preceding financial year;

xviii. there has been no resignation of the statutory auditors during the year. Therefore, paragraph 3(xviii) is not applicable to the Company;

xix. on the basis of the financial ratios disclosed in *Note No. 23* to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that no material uncertainty exists as on the date of the audit report indicating that Company is 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;

xx. the provisions of Section 135 towards Corporate Social Responsibility are not applicable on the Company. Therefore, paragraph 3(xx) of the Order is not applicable to the Company;

xxi. the requirement of clause 3(xxi) is not applicable in respect of Standalone Financial Statements.

For **HEMANT ARORA & CO. LLP**
CHARTERED ACCOUNTANTS
Firm Registration No. 002141C/C400006

Place: Dehradun
Date: 30.05.2023
UDIN: 23408066BGTYFT3421

Kamal Nagpal
Partner
M. No.40806

HEMANT ARORA & CO. LLP
Chartered Accountants

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Appendix- 1

(As referred in Clause no. (vii)(b) to in Annxure A to the Independent Auditor's Report)

Details of Disputed Statutory Dues

Name of Statute	*Forum where Dispute is pending*	*Period to which the amount relates (Financial Year)*	*As at 31st March, 2023*	*As at 31st March, 2022*
Income Tax Act, 1961	New Delhi	2013-14	4,05,000	4,05,000
Sub Total (A)			***4,05,000***	***4,05,000***
The Central Excise Act	Sidhi, Waidhan MP	2002-03	5,12,000	5,12,000
Sub Total (B)			***5,12,000***	***5,12,000***
Sales Tax Act, 1930	Jhansi	2003-04	2,01,00,000	2,01,00,000
	Sub Total (C)		***2,01,00,000***	***2,01,00,000***
Employee Provident Fund	EPFO Dwarka New Delhi	2013-14	36,87,000	36,87,000
	EPFO Dwarka New Delhi	2014-15	54,48,000	54,48,000
	EPFO Dwarka New Delhi	2015-16	7,97,000	7,97,000
	EPFO Dwarka New Delhi	2015-16	5,59,000	5,59,000
Sub Total (D)			***1,04,91,000***	***1,04,91,000***
Grand Total (A+B+C+D)			***3,15,08,000***	***3,15,08,000***

INDO GULF INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH 2023

(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	Note	As at 31st March 2023		As at 31st March 2022	
I.	**ASSETS**					
	Non - current assets					
	(a) Property, Plant and Equipment	2(a)	2,095.93		1,472.56	
	(b) Capital Work in Progress	2(b)	140.93	2,236.86	26.16	1,498.72
	Current assets					
	(a) Inventories	3	488.10		350.73	
	(b) **Financial assets**					
	(i) Trade Receivables	4	130.30		302.79	
	(ii) Cash and cash equivalents	5	46.93		58.27	
	(iii) Bank balances other than (ii) above	6	241.60		228.72	
	(iv) Other Financial Assets	7	14.95		13.49	
	(c) Other current assets	8	373.68	1,295.56	158.55	1,112.55
	TOTAL ASSETS			**3,532.42**		**2,611.27**
II	**EQUITY AND LIABILITIES**					
	Equity					
	(a) Equity Share capital	9	95.67		95.67	
	(b) Other Equity	10	228.18	323.85	(415.51)	(319.84)
	Liabilities					
	Non - current liabilities					
	(a) **Financial liabilities**					
	(i) Borrowings	11	1,021.28		1,203.41	
	(b) Deferred Tax Liabilities (Net)	12	89.47	1,110.76	58.76	1,262.17
	Current liabilities					
	(a) **Financial liabilities**					
	(i) Borrowings	11	376.01		318.29	
	(ii) Trade Payables					
	(a) Total outstanding dues of Micro and Small Enterprises	13	-		-	
	(b) Total outstanding dues of creditors other than Micro and Small Enterprises	13	975.90		679.66	
	(b) Other current liabilities	14	329.14		403.12	
	(c) Provisions	15	416.77	2,097.82	267.87	1,668.94
	TOTAL EQUITY AND LIABILITIES			**3,532.42**		**2,611.27**

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
CHARTERED ACCOUNTANTS
Firm's Registration No. - 002141C/C400006

S/d-
Kamal Nagpal
Partner
M. No. 408066

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF INDO GULF INDUSTRIES LIMITED

S/d-
Rajesh Jain
Director
DIN: 01200520

S/d-
Sanjay Choudhary
Managing Director
DIN: 08719847

S/d-
B.D. Aggarwal
Chief Finance Offic

S/d-
Tanushree Purohit
Company Secretary

Place: Dehradun
Date: 30th May, 2023

INDO GULF INDUSTRIES LIMITED

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

(All amounts are in ₹ Lakhs, except per share data)

	Particulars	Note	For the year ended 31st March 2023	For the Year Ended 31st March 2022
I	Revenue from Operation	16	20,695.38	14,551.40
II	Other Income	17	36.32	23.90
III	**Total Income (I+II)**		**20,731.71**	**14,575.30**
IV	**Expenses**			
	(i) Cost of Material Consumed	18	18,768.33	13,183.89
	(ii) Employee benefits expense	19	461.49	391.42
	(iii) Finance Cost	20	31.17	38.27
	(iv) Depreciation and amortisation expense	2(a)	121.29	81.23
	(v) Other expenses	21	671.74	698.83
V	**Total expenses (IV)**		**20,054.02**	**14,393.65**
VI	**Profit/(Loss) before tax (III-V)**		**677.68**	**181.65**
VII	**Tax expense**			
	(1) Current Tax		113.21	28.50
	(2) Deferred Tax		30.72	17.10
	(3) MAT Credit (inclusive of earlier year)		(114.66)	(26.06)
	(4) Income Tax (earlier year)		4.73	-
VIII	**Profit/(Loss) for the year from continuing operations (VI-VII)**		**643.69**	**162.11**
IX	Profit/(Loss) from discontinued operations		-	-
X	Tax expense of discontinued operations		-	-
XI	Profit/(Loss) from Discontinued operatioins (after tax) (IX-X)		-	-
XII	**Profit/(Loss) for the period (VIII+XI)**		**643.69**	**162.11**
XIII	**Other Comprehensive Income (OCI)**			
	A) (i) Items that will not be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	B) (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
			-	-
	Total Other Comprehensive Income for the year (XII+XIII)			
	(Comprising Loss and Other Comprehensive Income for the year)		**643.69**	**162.11**
	Earnings per share (Nominal value per share ₹1/- each)			
	- Basic and Diluted (in ₹)	22	6.73	1.69

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
CHARTERED ACCOUNTANTS
Firm's Registration No. - 002141C/C400006

S/d-
Kamal Nagpal
Partner
M. No.: 408066

Place: Dehradun
Date: 30th May, 2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF INDO GULF INDUSTRIES LIMITED

S/d-
Rajesh Jain
Director
DIN: 01200520

S/d-
Sanjay Choudhary
Director
DIN: 08719847

S/d-
B.D. Aggarwal
Chief Finance Officer

S/d-
Tanushree Purohit
Company Secretary

INDO GULF INDUSTRIES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED AS AT 31ST MARCH, 2023

(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	For the year ended 31st March 2023	For the Year Ended 31st March 2022
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) after tax	**643.69**	**162.11**
	Adjustments for:		
	Deferred Tax Liability	30.72	17.10
	Income Tax Expense	117.93	28.50
	MAT Credit (inclusive of earlier year)	(114.66)	(26.06)
	Depreciation expense	121.29	81.23
	Interest on loan from related party	23.34	31.71
	Interest on Secured Loan	4.01	0.68
	Interest income	(14.12)	(11.80)
	Operating Profit/(loss) before working capital changes	**812.20**	**283.47**
	Movements in working capital		
	Inventories	(137.37)	13.58
	Financial Assets		
	(Increase)/Decrease in Trade Receivables	172.49	(154.60)
	(Increase)/Decrease in Short term Fixed Deposits	(12.88)	(150.00)
	(Increase)/Decrease in Other Financial Assets	(1.46)	-
	(Increase)/Decrease in Other Current Assets	(100.47)	298.01
	Financial Liabilities		
	Increase/(Decrease) in Trade Payables	296.24	293.10
	Increase/(Decrease) in Other Current liabilities	(73.98)	192.19
	Increase/(Decrease) in Provisions	63.67	(100.28)
	Cash from/(used) in operations	**1,018.45**	**675.47**
	Direct Taxes Paid (Net of Refunds)	(32.71)	(2.52)
	Net cash generated from/(used in) operating activities (A)	**985.73**	**672.95**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Interest received on fixed deposits	14.12	11.80
	Purchase of Property, Pland and Equipment 'PPE' (including CWIP)	(859.43)	(509.98)
	Capital advances	-	3.05
	Net cash generated from/(used in) investing activities (B)	**(845.31)**	**(495.13)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest on Loan from related Parties	(23.34)	(31.71)
	Interest on Secured Loan	(4.01)	(0.68)
	Proceeds from/(Repayment of) Borrowings	(124.40)	(113.52)
	Net cash generated from/(used in) financing activities (C)	**(151.76)**	**(145.91)**
	Net increse/(decrease) in cash and cash equivalents (A+B+C)	**(11.34)**	**31.91**
	Opening cash and cash equivalents	58.27	26.35
	Closing cash and cash equivalents	**46.93**	**58.27**
	Components of cash and cash equivalents (Refer Note No. 5)		
	Cash in hand	4.03	18.54
	Balances with Banks:		
	- In Current Account	42.90	39.73
	Cash and Cash Equivalents at the end of the year	**46.93**	**58.27**

The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7, "Statement of Cash Flows".

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
CHARTERED ACCOUNTANTS
Firm's Registration No. - 002141C/C400006

S/d-
Kamal Nagpal
Partner
M. No.: 408066

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF INDO GULF INDUSTRIES LIMITED

S/d-
Rajesh Jain
Director
DIN: 01200520

S/d-
Sanjay Choudhary
Director
DIN: 08719847

S/d-
B.D. Aggarwal
Chief Finance Officer

S/d-
Tanushree Purohit
Company Secretary

Place: Dehradun
Date: 30th May, 2023

INDO GULF INDUSTRIES LIMITED

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

(All amounts are in ₹ Lakhs, unless otherwise stated)

(a) Equity Share capital

Particulars	No. of Shares	Amount
Balance as at 31st March, 2021	**95,67,270**	**95.67**
Changes during the year ended 31st March, 2022	-	-
Balance as at 31st March, 2022	**95,67,270**	**95.67**
Changes during the year ended 31st March, 2023	-	-
Balance as at 31st March, 2023	**95,67,270**	**95.67**

(b) Other Equity

Particulars	Reserves and surplus	Other Comprehensive Income	Total
	Retained Earnings		
Balance as at 31st March, 2021	**(577.62)**	**-**	**(577.62)**
Profit for the year	162.11	-	162.11
Balance as at 31st March, 2022	**(415.51)**	**-**	**(415.51)**
Profit for the year	643.69	-	643.69
Balance as at 31st March, 2023	**228.18**	**-**	**228.18**

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
CHARTERED ACCOUNTANTS
Firm's Registration No. - 002141C/C400006

S/d-
Kamal Nagpal
Partner
M. No.: 408066

Place: Dehradun
Date: 30th May, 2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
INDO GULF INDUSTRIES LIMITED

S/d-
Rajesh Jain
Director
DIN: 01200520

S/d-
Sanjay Choudhary
Director
DIN: 08719847

S/d-
B.D. Aggarwal
Chief Finance Officer

S/d-
Tanushree Purohit
Company Secretary

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

Indo Gulf Industries Limited ("IGIL" or "The Company") is a Public Limited Company incorporated and domiciled in India. The registered office of the company is situated at 4237/11, IInd floor, Narendra Bhawan 1, Ansari Road, Daryaganj, New Delhi-110017, India. It was incorporated on March 05th, 1981.

The company's shares are listed on the BSE Ltd and Ahmedabad Stock Exchange.

The principal activities of the company is manufacturing of explosives, ammunitions and fireworks.

The Company's controlling interest aggregating to 53.96% is held by Ganesh Explosives Private Limited ('*the holding company*') with effect from November 08th, 2017 post the approval letter sanctioned by BSE. Prior to this, the controlling interest was with Balrampur Chini Mills Limited ('the outgoing promoter').

These Ind AS Financial Statements were approved for issue by the Board of Directors of the Company on 30th May, 2023 and are subject to the approval by the shareholders in the ensuing Annual General Meeting.

2. Application of Indian Accounting Standards

All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of CorporateAffairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approvedhave been considered in preparation of these Financial Statements.

2.1 The MCA has notified the Companies (Indian Accounting Standards / Ind AS) Amendment Rules, 2022 on March 23, 2022, whereby the amendments to various Indian Accounting Standards has been made applicable with effect from April 1, 2022 onwards. The amendments made vide aforesaid notification dated March 23, 2022 has brought few additions and substitutions in Indian Accounting Standards (Ind AS) particularly in Ind AS 101- First-time Adoption of Indian Accounting Standards, Ind AS 103- Business Combinations, Ind AS 109- Financial Instruments, Ind AS 16- Property, plant and Equipment, Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets and Ind AS 41- Agriculture, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

3. Significant Accounting Policies

3.1. Statement of Compliance

These Financial Statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, (Amended) 2015 and notified by Ministry of Corporate Affairs("MCA") pursuant to Section 133 of the Companies Act, 2013 read with Rule 3.

3.2. Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments (including derivative instruments) and defined

benefit plans which have been measured at fair value. The accounting policies are consistently applied by the Company to all the period mentioned in the financial statements.

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Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

(a) Expected to be settled in normal operating cycle
(b) Held primarily for the purpose of trading
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
(b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
(c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services rendered and the time between the rendering of the products/services and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non Current classification of assets and liabilities.

All the Indian Accounting Standards issued and notified by the MCA are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company. The Financial Statements are presented in Indian Rupee ("INR"), which is the Company's functional currency and all values are rounded to the nearest lacs up to two decimals, except per share data and otherwise indicated.

3.3. Use of estimates

The preparation of the financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.4. Revenue Recognition

The Company applies five step model and derives revenues primarily from sale of products andservices, such as industrial explosives, safety fuses, ammonium nitrate.

Revenue from contracts with customers is recognized at the point in time when the Company satisfies a performance obligation by transferring control of a promised product or service to a customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the sale of products and service, net of discount, taxes or duties as per Ind AS 115.

The Company's customers pay for products received in accordance with payment terms that are customary in the industry and do not have significant financing components.

3.5. Property, Plant and Equipment

(a) Initial and Subsequent Recognition

All Property, Plant and Equipment are measured at cost less depreciation and impairment losses. The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any direct cost of bringing an asset to the location and condition of its intended use. Accounting of Property, Plant and Equipment is guided under Ind AS 16. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use by the management.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The present value of the expected cost for decommissioning of an asset after its use if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

The costs and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

(b) Depreciation

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method ('SLM') over the useful lives of the assets estimated by the management. The management estimates the useful lives for the Property, Plant and Equipment as follows:

Assets	**Company's estimate of useful life (in years)**	**Useful life as prescribed under Schedule II to the Companies Act, 2013 (in years)**
Property, Plant and Equipment		
Factory Buildings	30	30
Factory Plant and Machinery	15	15
Furniture and Fixtures	10	10
Office Equipment	5	5
Lab Instruments	15	10
Generator	15	15
AC & Water Cooler	15	15
Computers	3	3
Electrical Installations and Equipment	10	10
Motor Vehicles	8	8
Other Plant and Machinery	15	15

Residual value has been considered as 5% of the cost of the respective asset.

Leasehold land in the nature of perpetual lease is not amortised.

Depreciation /amortization on assets added, sold or discarded during the year is provided on pro-rata basis.

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

(c) Impairment

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use as guided by Ind AS 36.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying

amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

(d) Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

3.6. Capital Work in Progress

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognized in profit or loss as incurred. Capital Work in Progress includes cost of property including construction stores, Materials in Transit/Equipment/Services, etc received at site for use in the projects as at the balance sheet date.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition/construction of fixed assets, are capitalized at the time of commissioning of such assets.

3.7. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. A lease is classified at the inception date as a finance lease or an operating lease. Leases under which substantially all of the risks and rewards of ownership are transferred to the Company are classified as financial leases.

(a) Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold Land – 99 years

The Company has entered a lease arrangement with U.P. State Industrial Development Corporation Limited ('lessor') dated 17th, December, 1984 vide which the lessor has transferred the possession to the company.The same has been considered as perpetual lease in nature and hasn't been amortised.

3.8. Provisions Contingent Liabilities and contingent assets

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

b) The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

c) Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable. Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

3.9. Employee benefits

1. Provident fund

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

2. Leave encashment

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit for measurement purposes. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave as at the period ending 31st December which subsequently gets lapsed and are compensated for the aforesaid unavailed leaves. The Company presents the entire leave encashment liability as a current liability in the balance sheet, since employee is entitled to avail leave at the end of 9 months from the reporting date and does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Liabilities for salaries and wages, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employee render the services are recognized in respect of employees' services up to the end of the Balance Sheet date and are measured at the amounts expected to be repaid when the liabilities are settled.

3.10. Financial instruments

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

a) Financial assets

(i) Initial recognition and measurement

All financial assets are recognized initially at fair value plus adjustment, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

The financial assets include cash and bank balances and loans and advances.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets in the nature of debt are classified at amortized cost.

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

1) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized costis calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iii) De-recognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities classified at amortized at cost net of directly attributable transaction costs.

The financial liabilities include borrowings and other payables.

(ii) Subsequent measurement

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost.

Financial liabilities at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.The EIR amortization is included as finance costs in the statement of profit or loss.

(iii) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or

modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and liabilities including derivative instruments are offset and the net amount is reported in the Balance Sheet,if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis(i.e., to realize the assets and settle the liabilities simultaneously).

d) Share capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

3.11. Impairment of Assets

a) Non-financial assets

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal,recent market transactions are taken into account,if no such transactions can be identified, an approximate valuation model is used.

These calculations are corroborated by valuation multiples,quoted share prices for publicly traded companies or other available fair value indicators.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

b) Financial assets

The Company applies expected credit loss (ECL) model in accordance with Ind AS 109 for measurement and recognition of impairment loss on the financial assets and credit risk exposure that are debt instruments, and are measured at amortized cost.

The company follows 'simplified approach' for recognition of impairment loss allowance.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date right from its initial recognition.

ECL impairment loss allowance (or reversal) during the period is recognized as income/expense in the statement of profit and loss. The amount is reflected under the head 'Other Expenses' in the statement of profit and loss.

3.12. Taxes

The Income tax expense comprises current tax and deferred tax and is recognized in the Statement of profit or loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted by the Balance Sheet date and applicable for the period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis(i.e., to realize the assets and liabilities simultaneously).

b) Deferred income tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the Balance Sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized ,except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of

the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each Balance Sheet date and are recognized to the extent that it has become probable that future taxable profits will allow thedeferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled,based on tax rates(and tax laws) that have been enacted or substantively enacted at the Balance Sheet Date.

Deferred tax assets and Deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.13. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

3.14. Earnings Per Share

a) Basic Earnings Per Share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

b) Diluted Earnings Per Share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented.Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.15. Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short-term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value.For the purpose of the statement of cash flows,cash and cash equivalents consist of cash and short-term deposits,as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.16. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

3.17. Inventories

Inventories are valued at the lower of cost or net realizable value as per Ind AS 2.

Cost includes purchase price, duties, transport,handing costs and other costs directly attributable to theacquisition and bringing the inventories to their presentlocation and condition.

The basis of determination of cost is as follows:

- Raw material, packing material and stock-in-tradevalued on moving weighted average basis;
- Stores and spares valued on weighted average basis;
- Work-in-progress valued at cost of input valued atmoving weighted average basis plus overheads up till the stage of completion; and
- Finished goods valued at cost of input valued atmoving weighted average basis plus appropriate overheads.

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

3.18. Foreign currency transactions and translation

1. **Functional and presentation currency**
   The financial statements are presented in Indian rupee (₹), which is also its functional currency.

2. **Transactions and balances**
   Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognized in statement of profit and loss.

   Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the statement of profit and loss.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 2(a) Property, plant and equipment

Particulars	Property, Plant and Equipment													
	Land (Free Hold)	Land (Lease Hold)	Buildings	Plant & equipment	Furniture & Fixtures	Office Equipments	Lab Instruments	Generator	AC & Water Cooler	Computers	Electrical Installations and Equipments	Motor Vehicles	Other Plants & Machinery	Total
Gross block														
Gross carrying amount as at 01.04.2022	16.58	31.45	378.17	1,109.64	7.51	6.54	3.70	19.83	1.63	4.68	65.19	56.33	43.02	1,744.29
Additions during the year	-	-	78.36	554.62	1.27	-	1.31	45.18	3.46	1.21	20.30	9.59	29.36	744.67
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31.03.2023	**16.58**	**31.45**	**456.53**	**1,664.26**	**8.78**	**6.54**	**5.00**	**65.01**	**5.09**	**5.89**	**85.50**	**65.92**	**72.39**	**2,488.95**
Depreciation														
Accumulated dep as at 01.04.2022	-	-	72.73	173.34	1.16	4.39	0.38	3.19	0.28	2.42	12.77	0.41	0.65	271.73
Depreciation for the year	-	-	14.45	81.98	0.75	1.23	0.28	3.11	0.29	1.62	6.95	7.44	3.19	121.29
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated dep as at 31.03.2023	**-**	**-**	**87.18**	**255.32**	**1.91**	**5.63**	**0.66**	**6.31**	**0.57**	**4.04**	**19.73**	**7.85**	**3.84**	**393.02**
Net carrying amount as at 31.03.2023	**16.58**	**31.45**	**369.35**	**1,408.94**	**6.87**	**0.91**	**4.34**	**58.70**	**4.52**	**1.85**	**65.77**	**58.07**	**68.55**	**2,095.93**
Gross block														
Gross carrying amount as at 01.04.2021	16.58	31.45	239.30	839.41	3.59	6.49	3.21	19.83	1.63	2.13	38.58	-	-	1,202.20
Additions during the year	-	-	138.87	270.23	3.93	0.05	0.49	-	-	2.56	26.62	56.33	43.02	542.09
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31.03.2022	**16.58**	**31.45**	**378.17**	**1,109.64**	**7.51**	**6.54**	**3.70**	**19.83**	**1.63**	**4.68**	**65.19**	**56.33**	**43.02**	**1,744.29**
Depreciation														
Accumulated dep as at 01.04.2021	-	-	59.88	114.74	0.72	3.16	0.16	1.94	0.18	1.51	8.21	-	-	190.50
Depreciation for the year	-	-	12.85	58.59	0.44	1.24	0.22	1.26	0.10	0.91	4.57	0.41	0.65	81.23
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated dep as at 31.03.2022	**-**	**-**	**72.73**	**173.34**	**1.16**	**4.39**	**0.38**	**3.19**	**0.28**	**2.42**	**12.77**	**0.41**	**0.65**	**271.73**
Net carrying amount as at 31.03.2022	**16.58**	**31.45**	**305.44**	**936.30**	**6.35**	**2.15**	**3.32**	**16.64**	**1.35**	**2.26**	**52.42**	**55.92**	**42.37**	**1,472.56**

1. Details of immovable properties not having title deed in the name of Indo Gulf Industries Limited:

Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Land	31.45	Uttar Pradesh State Industrial Development Corporation Limited	No	26.05.1984	Land taken on Lease from UPSIDC for 100 years

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No 2.: (b) Capital Work in Progress

Particulars	Balance as on 1st April, 2022	Additions during the FY 2022-23	Disposals/ Capitalization	Balance as on 31st March, 2023
Building under Construction				
Brick Labour	1.00	17.68	-	18.68
Cement	2.49	38.65	-	41.14
Electric Work	2.00	1.43	-	3.43
Sand	3.00	17.65	-	20.65
Stones	5.00	27.24	-	32.24
Wood	-	4.29	-	4.29
Brass	8.67	-	-	8.67
Sanitaryware	4.00	7.82	-	11.82
TOTAL	**26.16**	**114.77**	**-**	**140.93**

Note No. 2: (b) (a) Capital Work-in-progress Ageing Schedule

Particulars	Amount in Capital Work-in-progress for a period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
Projects in Progress	114.77	26.16	-	-	**140.93**
	(26.16)	-	-	-	***(26.16)***

**Previous year figures have been shown in brackets*

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 3 Inventories

Particulars	As at 31st March 2023	As at 31st March 2022
Raw Material	294.97	215.31
Work-in-progress	72.12	53.63
Finished Goods	121.01	81.80
Total	**488.10**	**350.73**

Note No. : 4 Trade Receivables

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured - Considered Good		
- Outstanding for a period exceeding 6 months from the date they are due for payment	39.06	98.40
- Others	91.24	204.39
Total	**130.30**	**302.79**

Note No. : 4.1 Trade Receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 month - 1 year	1 -2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered Good	91.24	27.37	11.69	-	-	***130.30***
	(204.39)	*(45.74)*	*(52.66)*	-	-	***(302.79)***
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-

(Previous year figures have been shown in brackets)*

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 5 Cash and cash equivalents

Particulars	As at 31st March 2023	As at 31st March 2022
Cash on hand	4.03	18.54
Balances with banks:		
- In Current Accounts	42.90	39.73
Total	**46.93**	**58.27**

Note No. : 6 Bank Balances other than Note No. 5 above

Particulars	As at 31st March 2023	As at 31st March 2022
Fixed deposits with Indian bank under lien for Bank Guarantee (maturity period from 3 months to 12 months)	241.60	228.72
Total	**241.60**	**228.72**

Note No. : 7 Other Financial assets

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposits	14.95	13.49
Total	**14.95**	**13.49**

Note No. : 8 Other Current assets

Particulars	As at 31st March 2023	As at 31st March 2022
Advances other than Capital Advances		
(a) Recoverable from Staff	6.75	9.00
(b) Director Imprest	28.05	-
Deposits		
(a) MAT Credit Entitlement (inclusive of earlier year)	140.72	26.06
(b) Balance in Electronic Cash Ledger	0.36	0.36
Advances Recoverable		
(a) Advance to Supppliers	163.16	92.50
Other Recoverables		
(a) Accrued Interest on FDR	19.10	13.17
(b) Prepaid License fee	6.13	4.59
(c) Prepaid Taxes	7.23	12.29
(d) Prepaid Insurance	2.19	0.58
Total	**373.68**	**158.55**

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 9 Equity Share capital

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
(a) Authorised				
Equity shares of face value ₹1/- each	15,00,00,000	1,500.00	15,00,00,000	1,500.00
	15,00,00,000	**1,500.00**	**15,00,00,000**	**1,500.00**
(b) Issued, subscribed and fully paid up				
Equity shares of face value ₹1/- each	95,67,270	95.67	95,67,270	95.67
	95,67,270	**95.67**	**95,67,270**	**95.67**

(c) **Reconciliation of number and amount of equity shares outstanding:**

	No. of shares	Amount
As at 31st March 2021	95,67,270	95.67
As at 31st March 2022	95,67,270	95.67
As at 31st March 2023	**95,67,270**	**95.67**

(d) The Company has only one class of equity shares. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share.

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

(e) 51,62,540 equity shares of par value ₹ 1/- each are held by Ganesh Explosives Private Limited, the Holding Company.

(f) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	As at 31st March 2023		As at 31st March 2022	
	No. of shares held	% of holding to the total equity capital	No. of shares held	% of holding to the total equity capital
Ganesh Explosives Private Limited	51,62,540	53.96	51,62,540	53.96

(g) Details of shares held by Promoters:

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Ganesh Explosives Private Limited	51,62,540	-	51,62,540	53.96%	-
(Previous Year)	*(51,62,540)*	-	*(51,62,540)*	*53.96%*	-

(h) The Company has not issued any equity shares without payment being received in cash in 5 years immediately preceding the balance sheet date.

(i) The Company has neither issued any bonus shares nor has bought back equity shares in 5 years immediately preceding the balance sheet date.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 10 Other Equity

Particulars	As at 31st March 2023	As at 31st March 2022
Surplus in the Statement of Profit and Loss		
Balance at beginning of the year	(415.51)	(577.62)
Add: Profit for the year	643.69	162.11
Balance as at the balance sheet date	**228.18**	**(415.51)**

Note No. : 11 Borrowings (Non-current)

Particulars	As at 31st March 2023		As at 31st March 2022	
	Non-Current	Current	Non-Current	Current
Deferred payment liabilities				
Deferred sales tax loan (Unsecured)	-	-	61.68	-
Preference Share Capital				
Preference shares of par value INR 100/- each (Unsecured)	250.00	-	250.00	-
Loans				
Secured Loan	21.19	17.53	43.64	-
Unsecured loan - Related Parties	750.09	358.48	848.09	318.29
Total	**1,021.28**	**376.01**	**1,203.41**	**318.29**

11.1 Dy. Commisisioner of Sales Tax Baidhan Distt. Sidhi M.P. has issued recovery notice dated 2nd March, 2006 for INR 454.29 lakhs Recovery Act, 1980. The Company has recognized the reduced liability of INR 308.38 lakhs pursuant to sanction of the Rehabilitation Scheme by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR), and the aforsaid loan is to be treated as interest free and to be repaid in 5 yearly installments after the restart of the Company's explosive unit. However, the differential amount of INR 145.91 lakhs is yet to be waived off by the department as per Rehabilitation Scheme.The provision for the 5th installment of Rs. 61.68 lakhs is made on 31st March, 2023.

11.2 **11.2.1** Unsecured Loan from Ganesh Explosives Private Limited will be repayable after five years from commencement of business in ten equal yearly instalments which will be applicable from FY 2023-24 and simple interest @8% p.a will be charged and repaid at the end of each financial year.

11.2.2 Unsecured loans from Rajesh jain are interest free and will be repayable after five years from commencement of business i.e. from FY 2023-24 in ten equal yearly instalments.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No.: 11.3 Details of preference share capital

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
(i) **Authorised**				
Preference shares of par value ₹ 100/- each	5,00,000	500.00	5,00,000	500.00
	5,00,000	**500.00**	**5,00,000**	**500.00**
(ii) **Issued, subscribed and fully paid up**				
0.001% Non Convertible, Non-Cumulative, Redeemable Preference shares of par value ₹ 100/- each	2,50,000	250.00	2,50,000	250.00
	2,50,000	**250.00**	**2,50,000**	**250.00**

(iii) The preference shares are non convertible in nature.

(iv) These preference shares carry dividend @ 0.001% per annum as declared from time to time. In the event of no declaration of dividend, coupon rate of 0.001% is not cumulated and gets lapsed.

(v) The preference shareholder(s) shall have no voting rights, except as provided under the Companies Act, 2013 and rules made thereunder.

(vi) Each holder of preference shares is entitled to one vote per share only on resolution placed before the Company which directly affect the rights attached to preference shares.

(vii) The Company has neither issued any bonus shares nor has bought back preference shares in 5 years immediately preceding the balance sheet date.

(viii) The preference shares shall be redeemed at par, at the option of the Company at any time within a period not exceeding 20 years from the date of allotment i.e. 28th March, 2016 in accordance with the provisions of theCompanies Act, 2013 or any such other applicable law, rules, regulations as may be applicable.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 12 Deferred Tax Liability (Net)

Particulars	As at 31st March 2023	As at 31st March 2022
At opening	58.76	41.66
Add:		
DTL created during the year	30.72	17.10
Total	**89.47**	**58.76**

Note No. : 13 Trade Payables

Particulars	As at 31st March 2023	As at 31st March 2022
Financial liabilities at amortized cost		
Trade Payables	975.90	679.66
Total	**975.90**	**679.66**

Note No. : 13.1 Trade Payables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 Year	1 - 2 Years	2 - 3 years	> 3 Years	
(i) MSME	-	-	-	-	**-**
(ii) Others	666.41	248.97	60.52	-	***975.90***
	(616.47)	*(62.13)*	*(1.06)*	-	***(679.66)***
(iii) Disputed Dues - MSME	-	-	-	-	**-**
(iv) Disputed Dues - Others	-	-	-	-	**-**

**Previous year figures have been shown in brackets*

Note No. : 14 Other Current liabilities

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory liabilities	28.79	109.69
Advance from customers	299.60	293.25
Payables to Staff	0.75	0.18
Total	**329.14**	**403.12**

Note No. : 15 Current Provisions

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Taxtion	113.72	28.50
Other provisions	294.22	232.05
Provision for Electricity	8.82	7.33
Total	**416.77**	**267.87**

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 16 Revenue from Operation

Particulars	**For the year ended 31st March 2023**	**For the Year Ended 31st March 2022**
Domestic sale	20,695.38	14,430.41
Export sale	-	120.99
Total	**20,695.38**	**14,551.40**

Note No. : 17 Other income

Particulars	**For the year ended 31st March 2023**	**For the Year Ended 31st March 2022**
Interest income on financial assets (amortized cost)		
Fixed deposits with banks	14.12	11.80
Sale of Scrap	20.80	9.16
Balances written off	1.24	-
Miscellaneous Income	0.16	2.95
Total	**36.32**	**23.90**

Note No. : 18 Cost of Material Consumed

Cost of Material Consumed	**For the year ended 31st March 2023**	**For the Year Ended 31st March 2022**
Opening Stock	350.73	364.32
Add: Purchases		
Raw Material	17,635.18	11,698.33
Less: Discount Received	1,136.51	403.60
	16,498.67	**11,294.73**
Packing Material	757.06	612.57
Consumable Goods	34.82	2.31
Manufacturing Expenses		
Diesel & Petrol	228.74	136.02
Electricity Expenses	90.97	72.95
Freight & Cartage	760.56	766.35
Labour Charges	459.39	220.81
License Fee	10.70	10.49
Loading Unloading Charges	44.26	49.26
Clearing Charges	-	0.67
Custom Duty On Imports	0.01	0.12
Testing Charges	20.52	0.86
Inspection Charges	-	3.17
Social Welfare Surcharges on Imports	-	0.01
	18,905.70	**13,170.31**
Less: **Closing Stock**	488.10	350.73
Total	**18,768.33**	**13,183.89**

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 19 Employee benefits expense

Particulars	For the year ended 31st March 2023	For the Year Ended 31st March 2022
Salaries and wages	435.62	355.08
Contribution to provident and other funds	0.54	18.66
House Rent Allowances	9.15	5.04
Staff welfare expense	11.51	12.63
Leave Encashment	4.67	-
Total	**461.49**	**391.42**

Note No. : 20 Finance Costs

Particulars	For the year ended 31st March 2023	For the Year Ended 31st March 2022
Bank charges	3.82	5.88
Interest on Secured Loans	4.01	0.68
Interest on Unsecured Loans	23.34	31.71
Total	**31.17**	**38.27**

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 21 Other expenses

Particulars	For the year ended 31st March 2023	For the Year Ended 31st March 2022
Office Rent (Delhi)	12.00	3.47
Repairs and Maintenance		
- Building	179.70	79.03
- Others	38.11	6.43
Payments to auditor		
- Statutory Audit	3.50	3.00
Listing and allied fees	5.35	3.00
Legal and Professional expenses	8.92	11.13
Business Promotion	62.02	22.54
Printing & Stationery	22.33	5.26
Postage Charges	0.80	0.67
Telephone Expenses	0.33	0.20
Travelling & Conveyance Expenses	61.17	40.40
Forex Rate Fluctuations	-	1.67
Container Charges	-	13.10
Detention Charges	0.28	0.82
Consultancy Charges	6.80	20.32
Bad Debts	-	27.48
Advertisement	0.27	0.16
Penalty, Late Fees, Interest and other payments	19.65	3.53
Discount Allowed	14.08	-
Entertainment Expenses	8.08	6.36
Toll & Parking Charges	15.94	-
Cultural and Religious Expenses	1.18	0.18
House Keeping Charges	2.43	1.80
Packing Expenses	1.55	1.17
Contractual Expenses	61.75	14.35
Insurance Expenses	2.82	2.82
Miscellaneous expenses	12.85	3.00
Valuation Charges	-	0.46
Vehicle Rent	107.30	63.60
Map Editing Expenses	1.87	1.19
Service Charges	2.60	0.22
Compensation to old workers(As per Labour Court's Order)	-	117.00
Interest on Labour Settlement Due	-	1.81
Sales Tax Demand Paid	-	38.61
Advances Written-Off	-	186.79
Commission on Sales	18.05	17.24
Total	**671.74**	**698.83**

Note No. : 22 Earning per share

Particulars	For the year ended 31st March 2023	For the Year Ended 31st March 2022
Profit attributable to the equity shareholders of the company	643.69	162.11
Weighted Average Number of Equity Shares for calculating basic and diluted EPS (numbers)	95,67,270	95,67,270
Nominal value of equity shares (in ₹)	1.00	1.00
Basic and Diluted Earnings Per Share (in ₹)	**6.73**	**1.69**

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 23 Financial Ratios

Sl. No.	*Particulars*	*Numerator*	*Denominator*	*Year ending 31st March*		*Change in %*	*Reasons for Variance*
				2023	*2022*		
1	Current Ratio	Current Assets	Current Liabilities	0.62	0.67	-7%	
2	Debt - Equity Ratio	Total Debt	Shareholder's Equity	4.31	(4.76)	-191%	This is mainly due to increase in profit during the year
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service (Interest and lease payments + Principal repayments)	4.65	1.47	217%	increase in profit during the year
4	Return on Equity (%)	Net Profits for the year	Shareholder's equity	1.99	(0.51)	-492%	This is mainly due to increase in profit during the year
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	44.75	62.32	-28%	This is mainly due to increase in turnover during the year
6	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	95.57	64.53	48%	This is mainly due to increase in turnover during the year
7	Trade Payable Turnover Ratio	Purchases + Other Expenses	Average Trade Payables	44.54	48.06	-7%	
8	Net Capital Turnover Ratio	Revenue from Operations	Working Capital	(25.80)	(26.15)	-1%	
9	Net Profit Ratio	Net Profit	Net Sales	0.03	0.01	179%	This is mainly due to increase in profit during the year
10	Return on Capital Employed (%)	Earning before interest and taxes	Capital Employed	0.41	0.18	130%	This is mainly due to increase in profit during the year
11	Return on Investment (%)	Profit before tax + Finance Cost	Total Assets	N/A	N/A	N/A	N/A

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 24 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

Particulars	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
a) Contingent liabilities :		
Claims against the Company not acknowledged as debts :		
a) Excise duty demand - under appeal	5.12	20.70
b) Sales tax demand- under appeal	261.61	261.61
c) Others - under appeal/litigation	723.81	183.04
	990.54	**465.35**
b) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

The amounts shown in 1 above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals.

2. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

There are no Micro and small enterprises, to whom the Company owes dues. The information required to be disclosed under section 22 of the Micro, Small and Medium Enterprises Act

S. No.	Particulars	2022-23	2021-22
1	Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	Nil	Nil
2	Interest accrued and due and unpaid to suppliers under MSMED Act on the above amount	Nil	Nil
3	Interest paid	Nil	Nil
4	Payment made to suppliers (other than interest) beyond the appointed day during the year	Nil	Nil
5	Interest due and payable to suppliers under MSMED Act for payments made for the period delay	Nil	Nil
6	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	Nil	Nil
7	Amount of further interest remaining due and payable in succeding year	Nil	Nil

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

3 Related Party Disclosures

A. The 53.96% of Equity Share Capital of the Company is held by Ganesh Explosives Private Limited, being the holding company.

B. Related parties

a) Relation and name of the related parties are:-

(a) Holding Company:
Ganesh Explosives Private Limited

(b) Entities in which director has substantial interest:
a) Rajesh Explosives Private Limited
b) RJ Aqua Food Private Limited
c) Bickford Fuses Private Limited

(c) Key Managerial Personnel:
a) Mr. Bhagwan Dass Agarwal - Chief Financial Officer
b) Ms. Tanu Shree - Company Secretary
c) Mr. Rajesh Jain - Director
d) Mr. Sanjay Choudhary - Director
e) Mr. Ashok Sarkar - Director
f) Mrs. Shivani Naithani - Director
g) Mr. Gaurav Kumar - Director

(d) Related Party Transactions

S. No.	Related Parties	Relation with reporting entity	Nature of transaction	Transaction during the year	Closing balance as on 31/03/2023
1	Ganesh Explosives Privtate Lmited	Holding Company	Unsecured Loan Received	104.01	(358)
			Unsecured Loan (Paid)	(63.82)	-
			Vehicle Rent (Paid)	(95.30)	(16)
2	Rajesh Explosives Private Limited	Entities in which director has substantial interest	Vehicle Rent (Paid)	(12.00)	(1)
3	Mr. B.D. Agarwal	Key Managerial Personnel	Short Term Employee Benefits	(19.80)	-
			Reimbursement of Expenses	(21.42)	(0)
4	Mr. Rajesh Jain	Key Managerial Personnel	Unsecured Loan (Paid)	(98.00)	(750)
			Office Rent	(12.00)	28
5	Ms. Tanu Shree	Key Managerial Personnel	Short Term Employee Benefits	(1.20)	-
6	Mr. Sanjay Choudhary	Key Managerial Personnel	Short Term Employee Benefits	(6.66)	-
			Reimbursement of Expenses	(0.40)	-
7	Mr. Gaurav Kumar	Key Managerial Personnel	Short Term Employee Benefits	(4.32)	-
			Reimbursement of Expenses	(1.31)	-

**Figures in brackets shows payables of the company*

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

(j) Simalin Chemicals filed Civil Suit No 194/2003 before Civil Judge, Vadodra for recovery of 7.02. Lakhs.

(k) National fertilizer Limited [NFL] filed Suit No.995/99 for recovery of Rs 55.00 lakhs approx against supply of Ammonium Nitrate. IGIL has filed counter claim of Rs 250.00 Lakhs for charging higher rates for supply of Ammonium Nitrate in contravention of the agreement which stipulates that the price will be same as for M/s IBP. Matter is pending in Delhi High Court.
The Company has entered into an agreement with National Fertilizer Limited (NFL) on 27th Nov, 2019 whereby the Company have reached to an understanding to settle the dues at Rs. 40.44 Lacs out of which the Company has already paid Rs. 10 Lacs as token on 14th Nov, 2019 and first instalment of Rss. 13.44 Lacs has also been paid on 21st Jan, 2020 and remaining amount of Rs. 17 Lacs has also been paid on 31.12.2020

(l) As far as Labour issue is concerned, the company has entered into an agreement with worker's union on 08 August 2018 which has been registered in the office of Dy. Labour Commissioner vide ref. no. 3506-10/JR/IR dt. 24.08.2019 whereby all the earlier disputes has been resolved with the workers in respect of their employment and payment of earlier dues for 115 employees, it was also agreed by both the parties that in future they shall not file any case before any court of law and also shall withdraw all the previous cases pending with respective courts including DLC, High Court and Apex Court as per point no. 9 of the aforesaid worker agreement. The management has been following all the terms and conditions of the agreement. The Company have already settled and paid the dues in terms of Worker's Agreement during the period from April 2020 to June 2022.

(m) Scale Away has filed suit No. 35 of 2002 pending in Delhi Tis Hazari Court, New Delhi for recovery of Rs.1.34 Lakh. Same is pending as on date. Further deatils and hearing date is still awaited

(n) As per notice received by IGIL from Dy. Commissioner of Income Tax on 22.11.13, I.T. Dept. has filed an appeal Delhi High Court in the matter of CIT v/s IGIL A.Y. 2006-07 ITA No. 3616/DEL/2010. However further details of the matter are still awaited. The matter is pertaining to Indo Gulf Industries Ltd, Gonda Sugar factory. Since the matter belongs to BCML, they have made the out of court settlement with the department as informed by BCML.

(o) Sales Tax Dept. Jhansi had declared the auction of IGIL Jhansi unit moveable assets to Mahendra Satav as "NUL & VOID". Mr Mahendra Satav filed Writ Petition against Deputy Commissioner Sales Tax,Jhansi and Company challenging the same in Allahabad High Court. Allahabad High Court vide its order dated 01.05.2013 dismissed the Petition filed by Mr. Mahendra Satav. The Petition filed by Mr Satav has been dismissed by Hon'ble Allahabd High Court vide order dated 01.05.13.

(p) UPSIDC had alloted a land of 706.05 acres on lease to Indo Gulf Industries Limited in December 1984 for setting up the facilities for manufacturing of Slurry Explosives out of which 50 acres was alloted for setting up the plant and remaining 656.05 acres for maintaining Safety Zones being an explosive plant as per Explosive Act.

The Uttar Pradesh State Industrial Development Authority (UPSIDC) has raised a demand of Rs 650.98 Lakhs on 31st March 2020 vide letter No SIDA/RMJ/INDOGULF DT 29.07.2020 ((Annex F) towards economic rent outstanding premium and interest their own for the closure period and also after our takeover period from 2017-2020.
Consistent efforts have been made by the new management after taking over the company with the UPSIDA and State Government for waiver of dues for the closure period.

Out of the total liability as stated in (a) to (d) above, provision to the tune of INR 289.68 lacs has already been provided by the Company. However, the said liability after taking into account the relief and concessions of Rehabilitation Scheme by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) stands reduced to INR 43.45 lacs and is included under the line item "Provision for contingencies" which after writing off is now left to INR 3.45 lakh.

5. The Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) at its hearing held on 14th June, 2016 has, inter-alia, discharged the Company from the purview of The Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), since the networth of the company turned positive. Accordingly, the Company ceases to be a Sick Company.

6 Segment information
The Board of Directors has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 – Operating Segments. The Company is in the
The information about secondary segment has not been furnished as there is no export revenue of the Company.

7 Disclosure pursuant to Indian Accounting Standard-12 "Income Taxes"

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences,and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.
Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

8 Disclosure pursuant to Indian Accounting Standard - 36 on "Impairment of Assets"

Due to seizure of Company's explosive plant at Jhansi, the condition of the plant & machineries and other fixed assets thereat and the impairment loss, if any, in respect thereof could not be determined, pending which no provision for such impairments, if any, could be made in these accounts. In respect of new property, plant and equipment purchased and recognized during the year, no impairment loss is required to be recognized.

9 Disclosure pursuant to Indian Accounting Standard - 19 on "Employee Benefits"

During the year under review, no liability has accrued on account of long-term employee benefits payable by the Company. Hence, information as per the requirements of Indian Accounting Standard - 19 on "Employee Benefits" is not required to be disclosed.

10 Expenditure on Corporate Social Responsibilities (CSR) Activities
The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company in view of the fact that the Company does not meet any of the financial criteria for applicabilty of CSR.

11 Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has neither given any loan nor has advanced any amount either during the current year ended 31st March, 2018 or during the previous year ended 31st March, 2017. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

4 Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets :

(i) Nature of provisions

Provision for contingencies

Provisions for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the

(ii) Movements in Provisions:

Particulars	(Amount in INR)
Balance as at 1st April, 2021	**3,42,17,066**
Provided during the year	1,67,35,103
Used during the year	2,41,64,929
Reversed during the year	-
Balance as at 31st March, 2022	**2,67,87,240**
Non-current	-
Current	2,67,87,240
Balance as at 1st April, 2022	**2,67,87,240**
Provided during the year	1,55,50,443
Used during the year	1,23,31,727
Reversed during the year	-
Balance as at 31st March, 2023	**3,00,05,956**
Non-current	-
Current	3,00,05,956

It is not possible to estimate the timing/uncertainities relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable

The Company does not expect any reimbursement in respect of above provisions.

(iii) Details of pending litigations:

(a) P.F. Employees' Provident Fund Organisation [EPFO] Dwarka, New Delhi vide its order dated 10.07.14 directed IGIL to deposit a sum of Rs. 36.87 Lakhs u/s 7Q of EPF and MP Act, 1952 towards interest. IGIL challenged EPFO order in Employees' Provident Fund Appellate Tribunal [EPFAT] and EPFAT vide its order dated 24.07.2014 was pleased to allow IGIL to pay interest amount of Rs. 36.87 Lakhs in three equal annual installments. In compliance to above order, so far IGIL has deposited Rs. 24.59 Lakhs with EPFO and balance Rs. 12.29 Lakhs is due and payable in August 2016.

(b) P.F.Employees' Provident Fund Organisation [EPFO] Dwarka, New Delhi vide its order dated 10.07.14 directed IGIL to deposit a sum of Rs. 54.48 Lakhs u/s 14B towards damages.

(c) (i) EPFO Dwarka, New Delhi vide its notice dated 09.12.2015 initiated enquiry u/s 7Q of EPF and MP Act, 1952 levying Rs. 7.97 Lakhs against interest . Company vide its letter dated 11.01.2016 has requested EPFO Dwarka, New Delhi to make three annual equal installments of interest of Rs. 7.97 Lakhs . Final order from EPFO Dwarka, New Delhi is awaited as on date. However, the company has deposited the entire disputed amount.

(ii) EPFO Dwarka, New Delhi vide its notice dated 09.12.2015 initiated enquiry u/s 14B of EPF and MP Act, 1952 levying Rs. 5.59 Lakhs against damages.. IGIL vide its letter dated 11.01.2016 has requested EPFO Dwarka, New Delhi to waive damages of Rs. 5.59 Lakhs. Final order from EPFO Dwarka, New Delhi is awaited as on date. As the company have got the waiver of Rs. 54.48 lacs by CBT similary the company has taken up the matter with CBT for the waiver of 5.59 lacs

(d) Sales Tax Department, Jhansi has issued various recovery certificates in year 2004 amounting to Rs. 201.00 Lakhs towards Sales Tax dues excluding interest for not submitting the C, 3B & F forms related to A.Y. 1988-89 to 2000-01. As a result of same, IGIL Jhansi Explosive unit is under attachment of Sales Tax Department. In the meantime, IGIL has collected several forms C, 3B and F, mainly form Coal India Limited and its subsidiaries. IGIL is to take up the matter with Jhansi Sales Tax Dept. for adjusting the outstanding liability of IGIL against the collected "C" & "F" forms and simultaneously to re- assess the actual liability based on the actual assessment.

(e) The Commercial Tax officer, Waidhan, Singrauli vide letter No. VAAK/Recovery/20222/159 dt. 25.08.2022 has advised us to deposit Rs. 30731801/-regarding payment of demand acertain against Indo Gulf Industries Ltd

(f) Central Excise dept. District Sidhi, Waidhan, (M.P.) vide its notice dated 17.02.2003 raised demand of Rs. 5.12 Lakhs towards Excise duty, interest and penalty. IGIL is yet to retrieve further details of same from concerned department for taking necessary action.

(g) State Sales Tax Authorities of Orissa, Madhya Pradesh & Chhattisgarh have also issued various Recovery Certificates for non- submission of C, F & 3B forms in relation to various site mixing slurries (SMS) Explosive units located in these states. IGIL is yet to retrieve further details of same from concerned department for taking necessary action. Sales Tax Authority of Orissa & M .P. issued R C for non submission of C,F & 3B forms.

(h) Deputy Commissioner of Income Tax, New Delhi passed an order u/s 271(1) (C) of the I.T. Act 1961 on 29.04.2015 imposing penalty of Rs. 4.05 Lakhs for A.Y. 2012-13. IGIL filed an Appeal on 27.05.2015 with Commissioner of Income Tax (Appeals), New Delhi challenging the DCIT order dated 29.04.2015. Same is pending with Commissioner of Income Tax (Appeals), New Delhi as on date.

(i) Sachin Chemical filed suit No. 194 of 2003 in Tis Hazari Court, New Delhi for recovery of Rs. 1.69 lakhs towards non-payment of Chemical Supplies. Matter is pending in the was declared "SINE DIE" by virtue of SICA.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 24 Other disclosures

12 Fair Value Measurements

A. Financial instruments by category

As at 31st March, 2023

Sl. No.	Particulars	Amortized cost	FVTOCI	FVTPL	Total
	Non-Current Assets				
(1)	**Financial assets**	-	-	-	-
	Current Assets				
(2)	**Financial assets**				
(a)	Trade Receivables	130.30	-	-	130.30
(b)	Cash and cash equivalents	46.93	-	-	46.93
(c)	Bank balances other than (b) above	241.60	-	-	241.60
(e)	Other current Assets	14.95	-	-	14.95
	Total	**433.79**	**-**	**-**	**433.79**
	Non Current Liabilities				
(3)	**Financial liabilities**				
(a)	Borrowings	1,021.28	-	-	1,021.28
	Current Liabilities				
	Financial liabilities				
(a)	Borrowings	376.01	-	-	376.01
(b)	Trade Payables	975.90	-	-	975.90
(c)	Other current liabilities	329.14	-	-	329.14
	Total	**2,702.34**	**-**	**-**	**2,702.34**

As at 31st March, 2022

Sl. No.	Particulars	Amortized cost	FVTOCI	FVTPL	Total
	Non-Current Assets				
(1)	**Financial assets**	-	-	-	-
	Current Assets				
(2)	**Financial assets**				
(a)	Trade Receivables	302.79	-	-	302.79
(b)	Cash and cash equivalents	58.27	-	-	58.27
(c)	Bank balances other than (b) above	228.72	-	-	228.72
(e)	Other current Assets	158.55	-	-	158.55
	Total	**748.33**	**-**	**-**	**748.33**
	Non Current Liabilities				
(3)	**Financial liabilities**				
(a)	Borrowings	1,203.41	-	-	1,203.41
	Current Liabilities				
	Financial liabilities				
(a)	Borrowings	318.29	-	-	318.29
(b)	Trade Payables	679.66	-	-	679.66
(c)	Other current liabilities	403.12	-	-	403.12
	Total	**2,604.48**	**-**	**-**	**2,604.48**

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 24 Other disclosures

B. Valuation technique, methods and assumptions used to determine the fair values:

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 "Fair Value Measurement" (Ind AS – 113).

In terms of Ind AS 113, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

C. Fair Value Hierarchy

This section explains the judgements and estimates based in determining the fair values of the financial instruments that are
a) recognized and measured at fair value and
b) measured at amortized cost and for which fair value are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial assets and liabilities into three levels prescribed under Ind AS.

The following tables provides the fair value measurement hierarchy of the Company's assets and liabilities.

(i) Financial assets and financial liabilities measured at fair value as at 31st March 2023:

Sl. No.	Particulars	Level 1	Level 2	Level 3	Total
A.	**Financial assets [At amortized cost (current)]**				
	Trade Receivables	-	-	130.30	130.30
	Cash and cash equivalents	-	-	46.93	46.93
	Bank balances other than cash and cash equivalents	-	-	241.60	241.60
	Other financial assets	-	-	14.95	14.95
	Total financial assets	**-**	**-**	**433.79**	**433.79**
B.	**Financial Liabilities [At amortized cost]**				
(a)	**Non-current**				
	Borrowings	-	-	1,021.28	1,021.28
(b)	**Current**				
	Borrowings	-	-	376.01	376.01
	Trade Payables	-	-	975.90	975.90
	Total financial liabilities	**-**	**-**	**2,373.19**	**2,373.19**

(ii) Financial assets and financial liabilities measured at fair value as at 31st March 2022:

Sl. No.	Particulars	Level 1	Level 2	Level 3	Total
A.	**Financial assets [At amortized cost (current)]**				
	Trade Receivables	-	-	302.79	302.79
	Cash and cash equivalents	-	-	58.27	58.27
	Bank balances other than cash and cash equivalents	-	-	228.72	228.72
	Other financial assets	-	-	13.49	13.49
	Total financial assets	**-**	**-**	**603.27**	**603.27**
B.	**Financial Liabilities [At amortized cost]**				
(a)	**Non-current**				
	Borrowings	-	-	1,203.41	1,203.41
(b)	**Current**				
	Borrowings	-	-	318.29	318.29
	Trade Payables	-	-	679.66	679.66
	Total financial liabilities	**-**	**-**	**2,201.36**	**2,201.36**

Note No. : 24 Other disclosures

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value financial instruments that are not traded in an active market is determined using valuation techniques by maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

There have been no transfers between Level 1 and Level 2 either during the year ended 31st March 2023 or during the year ended 31st March 2022.

(iii) The carrying amount of cash and cash equivalents, bank balances other than cash and cash equivalents, and other current financial assets and financial liabilities are considered to be same as their fair value due to the short-term maturities of these instruments.

13 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and bank balances.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Sl. No.	Particulars	Less than 1 year	1 to 5 years	>5 years	Total
A.	**As at 31st March 2023**				
(i)	Borrowings	17.53	358.48	1,021.28	1,397.29
(ii)	Other financial liabilities				
	Total	**17.53**	**358.48**	**1,021.28**	**1,397.29**
B.	**As at 31st March 2022**				
(i)	Borrowings	61.68	318.29	1,141.74	1,521.70
(ii)	Other financial liabilities	-	-	-	-
	Total	**61.68**	**318.29**	**1,141.74**	**1,521.70**

14 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and other equity attributable to the equity share-holders of the Company. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022

15 Transactions with struck off companies

The company has not entered into any transactions with companies struck off u/s 248 of The Companies Act, 2013 and u/s 560 of The Companies Act, 1956

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
CHARTERED ACCOUNTANTS
Firm's Registration No. 002141C/C400006

S/d-
Kamal Nagpal
M. No. 408066
Partner

Place: Dehradun
Date: 30th May 2023

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
INDO GULF INDUSTRIES LIMITED

S/d-
Rajesh Jain
Director
DIN: 01200520

S/d-
Sanjay Choudhary
Director
DIN: 08719847

S/d-
B.D. Aggarwal
Chief Finance Officer

S/d-
Tanushree Purohit
Company Secretary