

**TWENTY FIVE SOUTH REALTY LIMITED**

**28<sup>TH</sup> ANNUAL REPORT  
2023 – 2024**

## BOARD OF DIRECTORS

MR. PRAPHUL SHINDE (w.e.f May 09, 2023)    WHOLE-TIME DIRECTOR

MR. SACHIN SAWANT (w.e.f April 28, 2023)    NON-EXECUTIVE DIRECTOR

MR. SUNIL SHAH	}	INDEPENDENT DIRECTORS
MS. VANDANA DHANKI		
MS. NANDINI DESHMUKH (w.e.f. June 14, 2024)		

## KEY MANAGERIAL PERSONNEL

MS. ALAKNANDA PURAV - CHIEF FINANCIAL OFFICER

MS. PRACHI MANKAME (Upto July 19, 2024) - COMPANY SECRETARY

MS. APURVA DUBEY (w.e.f. October 28, 2024) - COMPANY SECRETARY

## STATUTORY AUDITORS

M/S. A R C K & CO.  
CHARTERED ACCOUNTANTS

### INTERNAL AUDITORS

M/S. NDAA & ASSOCIATES LLP  
CHARTERED ACCOUNTANTS

### SECRETARIAL AUDITORS

M/S. HRU & ASSOCIATES  
PRACTICING COMPANY SECRETARIES

## TRUSTEES FOR DEBENTURE HOLDERS

### CATALYST TRUSTEESHIP LIMITED

901, 9th floor, Tower B, PENINSULA BUSINESS PARK TOWER,  
Senapati Bapat Marg, Lower Parel,(W),  
Mumbai, Maharashtra 400013

## REGISTERED OFFICE

HINDOOSTAN MILLS COMPOUND, KASHINATH DHURI MARG,  
PATILWADI, OFF VEER SAVARKAR ROAD, PRABHADEVI, MUMBAI - 400025  
CIN-U51100MH1996PLC100876

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**NOTICE OF TWENTY EIGHTH ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF TWENTY FIVE SOUTH REALTY LIMITED WILL BE HELD ON MONDAY, DECEMBER 30, 2024 AT 11.30 AM AT JOLLY CONFERENCE ROOM, 4TH FLOOR, IMC BUILDING, IMC MARG, CHURCHGATE, MUMBAI – 400020 TO TRANSACT THE FOLLOWING BUSINESS: -**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon; and
2. To appoint a Director in place of Mr. Praphul Shinde (DIN: 03140671) who retires by rotation and, being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

To consider and if thought fit, to pass with or without modification (s), the following resolution:

**As an Ordinary Resolution:**

3. **APPOINTMENT OF MS. NANDINI SHRIKRISHNA DESHMUKH (DIN: 10644423) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

“**RESOLVED THAT** Ms. Nandini Shrikrishna Deshmukh (DIN: 10644423), who was appointed as an Additional Director, designated as Non-Executive Independent Women Director of the Company by the Board of Directors with effect from June 14, 2024 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (“Act”), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 (1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company;

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, appointment of Ms. Nandini Shrikrishna Deshmukh (DIN: 10644423) who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from June 14, 2024 upto June 13, 2029, be and is hereby approved.”

4. **RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR’S OF THE COMPANY FOR THE FINANCIAL YEAR 2023-2024:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of the Cost Auditor, M/s. Shekhar Joshi & Co., Cost Accountants (Firm Registration No. 100448), of ₹ 1,60,000/- (Rupees One Lakh Sixty Thousand only) plus applicable tax and reimbursement of out-of-pocket expenses to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, as recommended by the Audit and Compliance Committee and approved by the Board of Directors, be and is hereby ratified and approved;

**RESOLVED FURTHER THAT** the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution.”

**5. RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR’S OF THE COMPANY FOR THE FINANCIAL YEAR 2024-2025:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of the Cost Auditor, M/s. Shekhar Joshi & Co., Cost Accountants (Firm Registration No. 100448), of ₹ 1,60,000/- (Rupees One Lakh Sixty Thousand only) plus applicable tax and reimbursement of out-of-pocket expenses to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025, as recommended by the Audit and Compliance Committee and approved by the Board of Directors, be and is hereby ratified and approved

**RESOLVED FURTHER THAT** the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution.”

**Registered Office:**

Hindoostan Mills Compound,  
Kashinath Dhuri Marg, Patilwadi,  
Off Veer Savarkar Road,  
Prabhadevi, Mumbai-400025  
CIN-U51100MH1996PLC100876

**By Order of the Board of Directors  
For Twenty Five South Realty Limited**

**Sachin Sawant  
Director  
(DIN: 08245090)**

**Place : Mumbai**

**Date : October 28, 2024**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder. A Proxy form is enclosed herewith.
4. A Proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a poll.
5. Explanatory Statement pursuant to Section 102 of the Act relating to item no. 3, 4 and 5 of the Notice of this 28th AGM is annexed hereto. Also, relevant details in respect of the Director seeking appointment/re-appointment at the AGM, in terms of Clause 1.2.5 of Secretarial Standard – 2 on General Meetings is also annexed to this notice.
6. Corporate Members intending to attend the Meeting through their authorized representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney (PDF/JPG Format), if any, authorizing its representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address i.e. [cs@25south.in](mailto:cs@25south.in).
7. Members may also note that the Notice of 28th Annual General Meeting and Annual Report 2023-2024 will be available on the website of the Company at [www.25south.in](http://www.25south.in).
8. The Register of Members and Share Transfer books of the Company will remain closed from December 24, 2024 to December 30, 2024 (both days inclusive), for the purpose of AGM.
9. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection by the members without any fee by the members.
10. In case of joint holders, those members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
11. Members/Proxies/Representatives should bring the enclosed duly filled Attendance Slip, for attending the Meeting.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE ACT).**

### **ITEM NO. 3**

The Board of Directors in its meeting held on June 14, 2024, on the recommendations of the Nomination and Remuneration Committee, approved the appointment of Ms. Nandini Shrikrishna Deshmukh (DIN: 10644423) as Additional Director and also as an Independent Women Director, for a term of 5 (five) consecutive years from June 14, 2024 to June 13, 2029 not being liable to retire by rotation, subject to the approval of the members in the ensuing Annual General Meeting.

Pursuant to Section 161(1) of the Act, Ms. Nandini Shrikrishna Deshmukh shall hold office only up to the date of this Annual General Meeting ('AGM') and is eligible to be appointed as an Independent Director. The Company has, in terms of Section 160(1) of the Act, received in writing notices from member(s), proposing the candidature for the office of Director.

Pursuant to Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Ms. Nandini Shrikrishna Deshmukh, who meet the criteria of independence as provided in Section 149(6) of the Act, be appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from the date of her appointment i.e commencing from June 14, 2024 to June 13, 2029.

Ms. Nandini Shrikrishna Deshmukh is not disqualified from being appointed as Director by virtue of the provisions of Section 164 of the Act.

Ms. Nandini Shrikrishna Deshmukh has further provided a declaration pursuant to Rule 6 (1) and 6 (2) of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, affirming that she has successfully registered herself with the Indian Institute of Corporate Affairs (IICA), for inclusion of her name in the Independent Directors' data bank and that she shall renew her application for the same, from time to time, till she continue to hold office as Independent Director of the Company.

The Company has received from Ms. Nandini Shrikrishna Deshmukh:

- i. consent to as act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014;
- ii. intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act, confirming her eligibility for such appointment; and
- iii. a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and the Rules framed thereunder .

In the opinion of the Board, Ms. Nandini Shrikrishna Deshmukh fulfill the conditions specified in the Act and the Rules made thereunder for her appointment as Independent Director of the Company and is independent of the management of the Company.

Having regard to the qualification, knowledge and experience, the appointment of Ms. Nandini Shrikrishna Deshmukh for the first term of five consecutive years as an Independent Director will be beneficial and in the interest of the Company.

A copy of the draft letter of appointment for Independent Director setting out the terms and conditions would be available for electronic inspection by the members during normal business hours on any working day (except Saturdays) and during the AGM.

Brief resume of Ms. Nandini Shrikrishna Deshmukh, nature of her expertise in specific functional areas, names of companies in which she holds directorships and memberships/chairmanships of Committee of the Board, etc. as stipulated under Secretarial Standards – SS 2 on General Meetings is provided in Annexure – II to this Notice.

Ms. Nandini Shrikrishna Deshmukh is not related to any Director or Key Managerial Personnel of the Company.

The Board considers that the continued association of Ms. Nandini Shrikrishna Deshmukh would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Nandini Shrikrishna Deshmukh as Independent Women Director.

Accordingly, the Board after satisfying itself about the independence of Ms. Nandini Shrikrishna Deshmukh in accordance with Section 149 (6) of the Act, recommends the resolution set forth at Item No. 3 in relation to the appointment of Ms. Nandini Shrikrishna Deshmukh as an Independent Director, for approval by the members.

Ms. Nandini Shrikrishna Deshmukh and her relatives are concerned or interested, in the resolutions relating to her own appointment.

None of the other Directors or Key Managerial Personnel and their respective relatives are, in any way, concerned or interested, in the resolutions set out at Item No. 3 of the accompanying Notice.

#### **ITEM NO. 4 & 5**

The Board of Directors of the Company, based on the recommendation of the Audit and Compliance Committee, has approved the appointment of

M/s. Shekhar Joshi & Co., Cost Accountants (Firm Registration No. 100448) as Cost Auditor for auditing the cost records of the Company for the financial year 2023-24 & 2024-2025 on a remuneration of ₹ 1,60,000/- (Rupees One Lakh Sixty Thousand only) plus applicable tax and reimbursement of out-of-pocket expenses.

The Company has received the consent letter and eligibility certificate from M/s. Shekhar Joshi & Co., Cost Accountants, to act as Cost Auditors of the Company for the year ending March 31, 2024 & March 31, 2025 along with a confirmation that, their appointment, if made, would be within the limits prescribed under the



Companies Act, 2013 (“Act”). The said eligibility certificate and consent letter will be available for inspection of the members through electronic mode.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, remuneration to the cost Auditors as recommended by the Audit and Compliance Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, ratification by the members is sought, for the payment of the remuneration amounting to ₹ 1,60,000/- (Rupees One Lakh Sixty Thousand only) for cost audit for each financial year plus applicable taxes and out-of-pocket expenses to the Cost Auditor for Financial Year ending March 31, 2024 & March 31, 2025.

The Board recommends the ordinary resolution at Item No. 4 & 5 of the accompanying Notice for the approval of the members.

None of the Directors, Key Managerial Personnel’s of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Secretarial Standard on General Meetings (SS-2) of ICSI

**Registered Office:**

Hindoostan Mills Compound,  
Kashinath Dhuri Marg, Patilwadi,  
Off Veer Savarkar Road,  
Prabhadevi, Mumbai-400025  
CIN-U51100MH1996PLC100876

**By Order of the Board of Directors  
For Twenty Five South Realty Limited**

**Sachin Sawant  
Director  
(DIN: 08245090)**

**Place : Mumbai**

**Date : October 28, 2024**

## Annexure - 'I'

### DETAILS OF DIRECTOR SEEKING APPOINTMENT/REAPPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 1.2.5 OF SECRETARIAL STANDARD SS-2 ON GENERAL MEETINGS

Name of the Directors →	Dr. Nandini Deshmukh	Mr. Praphul Shinde
Particulars ↓ DIN →	10644423	03140671
Category	Non-Executive Independent	Executive
Age	55 years	56 years
Date of first appointment on Board	June 14, 2024	May 09, 2023
Qualification	B. Ed.	Civil Engineer
Experience in functional area	Over 25 years	Over 25 years
Nature of expertise in specific functional areas.	Experienced educational leader with a strong background in teaching and administration	Designing, engineering planning and construction area.
Terms and conditions of appointment / reappointment along with details of remuneration sought to be paid	Appointed as Non-Executive in the Independent Category not liable to retire by rotation.	Re-appointment as an Executive Whole-time Director liable to retire by rotation
Remuneration last drawn	Not Applicable	1.2 Crore
No. of shares held as on March 31, 2024 (either singly or as first named joint shareholder only)	Nil	Nil
Relationship with other Directors, Manager and Key Managerial Personnel	None	None
No. of Board meetings attended during the year	Not Applicable (Appointed on June 14, 2024)	12 Meetings
Directorships in other companies as on March 31, 2024 (Public Limited Companies)	Nil	<ul style="list-style-type: none"> <li>• Ackruti Center Infotech Limited</li> <li>• Citygold Education Research Limited</li> <li>• Citywood Builders Private Limited</li> <li>• Ackruti Safeguard Systems Private Limited</li> </ul>
Membership / Chairmanship of Committees of other public limited companies (Audit Committee and Stakeholders Relationship Committee only)	None	None

## BOARD'S REPORT

**TO  
THE MEMBERS  
TWENTY FIVE SOUTH REALTY LIMITED**

Your Directors have pleasure in presenting their Twenty Eighth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2024.

### FINANCIAL HIGHLIGHTS:

The financial highlights of the Company for the year ended March 31, 2024 are as hereunder:

(₹ in lakh)

	STANDALONE		CONSOLIDATED
	March 31, 2024	March 31, 2023	March 31, 2024
Income from Operations	73,899	1,20,808	73,899
Total Income	84,902	1,21,415	81,095
Total Expenses	95,409	1,63,677	96,243
Profit / (Loss) before Tax	(10,507)	(42,261)	(15,148)
Profit / (Loss) for the year	(27,366)	(42,123)	(32,007)
Add : Other Comprehensive Income	—	—	—
Total Comprehensive Income (Loss) for the year	(27,366)	(42,123)	(32,007)

### FINANCIAL PERFORMANCE:

#### Standalone Financials:

- Income from operations stood at ₹ 73 899 Lakh as against ₹ 1,20,808 Lakh in the previous year;
- Total Income stood at ₹ 84 902 Lakh as against ₹ 1 21,415 Lakh in the previous year;
- Total Expenses stood at ₹ 95 409 Lakh as against ₹ 1 63 677 Lakh in the previous year;
- Loss before Tax was ₹ 10,507 Lakh as against loss of ₹ 42,261 Lakh in the previous year;
- Loss for the year was ₹ 27,366 Lakh as against loss of ₹ 42,123 Lakh in the previous year;
- Earnings per Share before and after Extraordinary Item was Loss of ₹ 56,852 Lakh as against Loss of ₹ 87,510 Lakh in the previous year; and
- Networth of the Company stood at ₹ 55,992 lakh as against ₹ 28,626 lakh in the previous year.

**Consolidated Financials:**

- Income from operations stood at ₹ 73,899 Lakh
- Total Income stood at ₹ 81,095 Lakh
- Total Expenses stood at ₹ 96,243 Lakh
- Loss before Tax was ₹ 15,148 Lakh
- Loss for the year was ₹ 32,007 Lakh

**BUSINESS OVERVIEW:**

Your Company is one of India's leading real estate company, engaged in the business of execution and development of real estate project "25 South", one of the luxurious project of South Mumbai.

**DIVIDEND:**

In view of the loss incurred, the Directors have not recommended any dividend for the year under review.

**TRANSFER TO RESERVES:**

In view of the loss incurred, no amount has been transferred to reserves during the year under review.

**CHANGE IN NATURE OF BUSINESS:**

During the year under review, there was no change in the nature of business of the Company.

**CHANGES IN SHARE CAPITAL:****a. Authorised Share Capital**

During the year under review, there has been no change in the Authorised Share Capital of the Company, as on March 31, 2024, the Authorised Share Capital of the Company was ₹ 20,00,000 (Rupees Twenty Lakh Only).

**b. Paid-up Share Capital**

During the year under review, there has been no change in the Paid-up Share Capital of the Company, as on March 31, 2024 Paid up Equity Share Capital of the Company was ₹ 4,81,350/- (Rupees Four Lakh Eighty One Thousand Three Hundred and Fifty Only) and paid up Preference Share Capital of the Company was ₹ 18,650/- (Rupees Eighteen Thousand Six Hundred and Fifty Only).

**c. Debentures**

I. Company has following outstanding Non-Convertible Debentures (NCD's) as on March 31, 2024:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Outstanding amount as on March 31, 2024 ₹</b>
1	1000 senior, secured, rated, listed, redeemable and non-convertible debentures	<b>10,00,000/-</b>
2	9740 junior, unsecured, unrated, unlisted, redeemable and non-convertible debentures	<b>8,84,00,00,000/-</b>
3	3500 Unlisted, rated Secured Cumulative redeemable Non-convertible Debentures	<b>3,50,00,00,000/-</b>
4	1400 Unlisted, rated Secured Cumulative redeemable Non-convertible Debentures	<b>1,40,00,00,000/-</b>
5	12950 Unlisted, rated Secured Cumulative redeemable Non-convertible Debentures	<b>11,50,00,00,000/-</b>

- Issue** - Company has issued and allotted 12,950 (Twelve Thousand Nine Hundred Fifty) Unlisted, rated Secured Cumulative redeemable Non-convertible Debentures of face value of ₹ 1,000,000 (Rupees one million only) each, issued at par, aggregating up to ₹ 12,950,000,000 (Rupees Twelve billion Nine Hundred Fifty Million only) during the financial year 2023-2024.

**d. Issue of Shares under Employee Stock Option Scheme:** During the Company has not issued any share under the Employee Stock Option Scheme.

**MATERIAL CHANGES OR COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company.

**REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT:**

During the year under review, no revision was made with respect to financial statements or Board Reports of the Company in respect of any of the three preceding financial years.

**REGISTERED OFFICE:**

During the year under review, there is no change in the address of Registered Office of the Company.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

During the year under review, Twenty Five Downtown Realty Limited became the Subsidiary of the Company. The Company does not have any Associate Company

**CONSOLIDATED FINANCIAL STATEMENTS:**

The Audited Consolidated Financial Statements prepared in accordance with the applicable Ind AS and Regulation 52 of the SEBI Listing Regulations and Section 129 (3) of the Companies Act, 2013 forms part of this Annual Report.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:****Directors:**

- a) The Board of Directors on recommendation of Nomination and Remuneration Committee appointed Ms. Nandini Shrikrishna Deshmukh (DIN: 10644423) as an Additional Director of the Company with effect from June 14, 2024 to hold office upto the date of the ensuing Annual General Meeting. Ms. Nandini Shrikrishna Deshmukh being eligible has offered herself for reappointment. The proposal for her reappointment has been included in the Notice convening the ensuing annual General Meeting. Mr Sachin Anant Sawant is appointed as Director with effect from April 28, 2023. Mr. Anil Ahluwalia resigned as a Director w.e.f. April 28, 2023.
- b) In accordance with the provisions of the Section 152 (6) (e) of the Companies act, 2013, Mr. Praphul Devram Shinde (DIN: 03140671), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.
- c) In terms of Section 149 (7) of the Companies act, 2013, the Independent Director has furnished a declaration to the effect that he/she meets the criteria of independence as laid down under Section 149 (6) of the said Act. None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013.

Brief resume of Mr. Praphul Devram Shinde & Ms. Nandini Shrikrishna Deshmukh nature of their expertise in specific functional areas, names of companies in which each of them is a director and member of Board committees and shareholding in the Company as required under clause 1.2.5 of Secretarial Standards SS-2 on general meetings, is furnished in the annexure to the Notice convening the annual General Meeting.

During the year under review, the Independent Director and Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

None of the Directors of the Company are inter-se related to each other.

**Key Managerial Personnel:**

- (a) Mr. Rushank Shah, Wholetime Director of the Company, stepped down from the Board of Directors of the Company due to pre-occupancy and existing professional commitments, with effect from May 09, 2023. The Board places on record its sincere appreciation for the invaluable contribution by Mr. Rushank Shah to the deliberations of the meetings of the Board and the Committee of the Board of which he was a member during his tenure as Wholetime Director of the Company.
- (b) Mr. Praphul Shinde resigned from the post of Chief Executive Officer of the Company with effect May 09, 2023. The Board places on record its sincere appreciation for the invaluable contribution by Mr. Shinde, during his tenure as Chief Executive Officer of the Company.

- (c) The Board of Directors on recommendation of Nomination and Remuneration Committee appointed Mr. Praphul Shinde (DIN: 03140671) as an Additional Director designated as Wholetime Director of the Company for period of 3 years, with effect from May 09, 2023 to May 08, 2026.
- (d) During the year under review, Ms. Jaya Verma resigned from the post of Company Secretary and Compliance Officer w.e.f. October 7, 2023.
- (e) During the year under review, Ms. Prachi Mankame was appointed as a Company Secretary and Compliance Officer of the Company with effect from January 18, 2024 and resigned from the post w.e.f. July 19, 2024.
- (f) Ms. Apurva Dubey is appointed as a Company Secretary and Compliance Officer w.e.f. October 28, 2024.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under Section 149 (7) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV to the Act.

#### **POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:**

The Company has in place appropriate policy on Directors' appointment and remuneration as required under Section 178(3) of the Act, which has been uploaded on the Company's website and weblink of the same is <https://25south.in/>

#### **DEPOSITS:**

During the year under review, the Company has not accepted any deposits from the public in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) rules, 2014; accordingly, no amount of deposit is outstanding as on the Balance Sheet date.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) rules 2014 as amended are applicable to the Company. Hence, Annexure A forms part of Board report.

#### **BOARD MEETINGS:**

During the year under review, 14 (Fourteen) meetings of the Board of Directors of the Company were held. The intervening gap between two consecutive meetings was within the period prescribed under the Companies act, 2013 and Secretarial Standard SS – 1 on Board meetings.

The dates and attendance of the Directors at the said meetings are as follows:

Sr. No.	Date of the Board Meeting	Mr. Sunil Chndrakant Shah (DIN: 06947244)	Mr. Praphul Devram Shinde (DIN: 03140671)	Mr. Sachin Anant Sawant (DIN: 08245090)	Ms. Vandana Dhanki (DIN: 09083495)	Mr. Rushank Shah (DIN: 02960155)	Mr. Anil Ahluwalia (DIN: 00597508)
1	April 28, 2023	Present	—	—	Absent	Present	Present
2	May 09, 2023	Present	—	Present	Present	Present	—
3	May 12, 2023	Present	Present	Present	Absent	—	—
4	May 31, 2023	Present	Present	Present	Present	—	—
5	June 09, 2023	Present	Present	Present	Absent	—	—
6	August 11, 2023	Present	Present	Present	Absent	—	—
7	September 01, 2023	Present	Present	Present	Absent	—	—
8	September 14, 2023	Present	Present	Present	Present	—	—
9	September 20, 2023	Present	Present	Present	Absent	—	—
10	September 29, 2023	Present	Present	Present	Absent	—	—
11	November 20, 2023	Present	Present	Present	Absent	—	—
12	November 23, 2023	Present	Present	Present	Absent	—	—
13	January 18, 2024	Present	Present	Present	Present	—	—
14	March 7, 2024	Present	Present	Present	Absent	—	—

#### AUDIT COMMITTEE:

The Audit Committee was reconstituted on April 28, 2023. The composition of the Audit Committee is as under:

Sr. No.	Name of Director	Board Designation	Committee Designation
1.	Mr. Sunil C. Shah	Independent Director	Chairman
2.	Ms. Vandana Dhanki	Independent Director	Member
3.	Mr. Sachin Sawant (w.e.f April 28, 2023)	Director	Member

During the year under review, 4 (Four) meetings of the Audit Committee of the Company were held on 31.05.2023, 14.09.2023, 20.11.2023, 07.03.2024. The intervening gap between two consecutive meetings was within the period prescribed under the Companies act, 2013, Secretarial Standard SS – 1 on Board meetings.



The dates and attendance of the said meetings are as follows:

Sr. No.	Date of the Meeting	Mr. Sachin Sawant (Member)	Mr. Sunil C. Shah (Chairman)	Ms. Vandana Dhanki (Member)
1	May 31, 2023	Present	Present	Present
2	September 14, 2023	Present	Present	Absent
3	November 20, 2023	Present	Present	Absent
4	March 7, 2024	Present	Present	Absent

The Statutory Auditors regularly attends the Audit Committee meetings. The Board has accepted all the recommendations made by the Audit Committee during the year under review.

#### NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee was reconstituted on May 09, 2023. The composition of the Nomination and Remuneration Committee is as under-

Sr. No.	Name of Director	Board Designation	Committee Designation
1.	Mr. Sunil Shah	Independent Director	Chairman
2.	Ms. Vandana Dhanki	Independent Director	Member
3	Mr. Sachin Sawant (w.e.f. April 28, 2023)	Non-Executive Director	Member

During the year under review, 3 (Three) meeting of the Nomination and Remuneration Committee of the Company was held on April 28, 2023, May 9, 2023, January 18, 2024.

The dates and attendance of the said meetings are as follows:

Sr. No.	Date of the Meeting	Mr. Sunil C. Shah (Chairman)	Ms. Vandana Dhanki (Member)	Mr. Rushank Shah (Member)	Mr. Sachin Sawant (Member)
1	April 28, 2023	Present	Absent	Present	—
2	May 9, 2023	Present	Present	Absent	Absent
3	January 18, 2024	Present	Present	—	Present

**INDEPENDENT DIRECTORS:**

The composition of the Independent Director is as under:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Board Designation</b>	<b>Committee Designation</b>
1.	Mr. Sunil Shah	Independent Director	Chairman
2.	Ms. Vandana Dhanki	Independent Director	Member

During the year under review, 1(One) meeting of the Independent Directors of the Company was held on May 31, 2023, as required under clause vii of schedule IV of the Companies Act, 2013.

The dates and attendance of the said meetings are as follows

<b>Sr. No.</b>	<b>Date of the Board Meeting</b>	<b>Ms. Vandana Dhanki (Member)</b>	<b>Mr. Sunil Shah (Chairman)</b>
1	May 31, 2023	Present	Present

**ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS:**

Pursuant to the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board has carried out an annual evaluation of its own performance, performance of the Individual Directors as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfillment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee meetings to fulfill duties assigned to it, adequacy and timeliness of the agenda and minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

A separate exercise was carried out by the Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting. The performance evaluation of the Wholtime Director of the Company was also carried out by the Independent Directors, taking into account the views of the Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process.

In addition, the Independent Directors were also evaluated on the basis of fulfilment of independence criteria and independence from the management.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

In terms of Section 134 (5) of the Companies Act, 2013, in relation to the annual financial statements of the Company for the year ended March 31, 2024, the Board of Directors hereby confirms that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;
- (ii) such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the loss of the Company for the year ended on that date;
- (iii) proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts of the Company have been prepared on a 'going concern' basis;
- (v) internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**INTERNAL FINANCIAL CONTROLS:**

The Company has an Internal Control System, commensurate with the nature and size of its operations. Based on the framework of internal financial controls maintained by the Company and the work performed by the Statutory Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2023-2024.

**SIGNIFICANT AND MATERIAL ORDERS:**

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals against the Company impacting its going concern status and operations in future.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:**

As the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186 of the Companies Act, 2013 related to loans made, guarantees given or securities provided are not applicable to the Company. However, the details of the same are provided in the notes to the financial statements.

During the year under review, Twenty Five downtown reality limited became subsidiary of the Company.

**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All contracts/arrangements/transactions, wherever entered into by the Company during the year under review with related parties were in the ordinary course of business and on an arm's length basis. During the year under review, the Company has not entered into any contract/arrangement with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which could be considered material. Accordingly, the disclosure of related party transactions to be provided under Section 134 (3) of the said act, in form AOC-2 is not applicable to the Company.

The particulars of transactions with related parties are disclosed in the relevant note to the financial statements.

**COPY OF ANNUAL RETURN:**

Pursuant to the provisions of section 134(3) (a) and section 92(3) of the Companies Act, 2012, the Annual return will be available on the website of the Company at the link: <https://25south.in/>

**STATUTORY AUDITORS:**

M/s. A R C K & Co., Chartered Accountants, (Registration No.138758W), is appointed as Statutory Auditors of the Company for a term of five (5) consecutive years commencing from the conclusion of the 27th Annual General Meeting ("AGM") which was held in year 2023 till the conclusion of the 32nd AGM of the Company to be held in year 2028.

**QUALIFICATIONS BY AUDITORS:**

The Notes to the Financial Statements forming part of the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss for the year ended on that date, referred to in the Auditor's Report, are self-explanatory .

**SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. HRU & Associates, a practising company secretary to carry out secretarial audit of the Company.

**SECRETARIAL AUDIT REPORT:**

In terms of Section 204 of the Companies Act, 2013, a Secretarial Audit Report given by the Secretarial Auditors in the Form No. MR-3 is annexed with this Report as **Annexure – B**. Observation mentioned by Secretarial auditor in the Audit Report is mentioned below:

1. The Company has delayed in compliance with respect to Regulation 50 sub regulation 1 and Regulation 52 sub regulation 1, 4, 7 and 8 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. There were delays in submission of few intimations to the stock exchange and filing of forms with Registrar of Companies.

### **REPLIES TO SECRETARIAL AUDITOR'S QUALIFICATIONS:**

As regards to the Secretarial Auditors observations in Secretarial Auditor's Report, the Directors have to state that due to inadvertence and through oversight the Company complied with ROC and BSE compliances beyond the scheduled timeline. The Company has taken steps to ensure timely compliances in future.

### **REPORTING ON FRAUDS BY AUDITORS:**

The Directors hereby confirm that no instances of fraud were reported by the Auditors under Section 143 (12) of the Companies Act, 2013 either to the Company or the Central Government.

### **INTERNAL AUDITORS:**

As per the provisions of the Companies Act, 2013, the Company appointed M/s. NDAA & Associates LLP, Chartered Accountants (Firm Reg. No. 129486W/W10775) as an Internal Auditor of the Company for the financial year 2023-2024.

### **RISK MANAGEMENT SYSTEM:**

The Board of Directors of the Company has devised strategies to frame, implement and monitor the risk management plan for the Company. The Board is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE**

#### ***EARNINGS AND OUTGO:***

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014.

During the year under review, the Company had 'Nil' foreign exchange earnings and had incurred an expenditure of Rs. 274.40 lakh in foreign exchange.

#### ***VIGIL MECHANISM:***

Pursuant to Section 177 (9) and (10) of the Companies act, 2013, the Company has established vigil mechanism by adopting a Whistle Blower Policy for Stakeholders including Directors and employees of the Company to report their genuine concerns in the prescribed manner, to freely communicate their concerns / grievances about illegal or unethical practices in the Company, actual or suspected, fraud or violation of the Company's Codes or Policies. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguard against victimization of stakeholders who use such mechanism. During the year under review, no such incidence was reported and no person was denied access to the Chairman of the Audit Committee.

The Whistle Blower Policy has been uploaded on the Company website at the link: <https://25south.in/>

### **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and Redressal of complaints of sexual harassment at work place.

An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

The Company has complied with the provisions relating to constitution of Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and disclosure under the said act for the year ended March 31, 2024 is given in the table herein below:

1.	number of complaints filed during the financial year 2023-2024	NIL
2.	number of complaints disposed of during the financial year 2023-24	NIL
3.	number of complaints pending as on end of the financial year 2023-24	NIL

The said Policy is available on the website of the Company at the link: <https://25south.in/>

### **AFFIRMATION REGARDING COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS:**

The Board affirms compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 and SS-2) relating to the meetings of the Board and its Committees and General Meetings.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The statement containing names of top ten employees in terms of the remuneration drawn and the particulars of employees as required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available on the website of the Company. However, having regard to the provisions to the first proviso of Section 136 (1) of the Companies Act, 2013, the Annual Report is being sent to all the members of the Company excluding this information. The aforesaid statement is available for inspection by the members at the registered office, during business hours on working days of the Company upto the date of the ensuing AGM. Any member, who is interested in obtaining a copy thereof, may write to the Company Secretary at the Registered Office of the Company.

The said information is also available on the website of the Company. None of the employees listed in the aforesaid statement is a relative of any Director of the Company. None of the employees of the Company is covered under Rule 5 (3) (viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**ACKNOWLEDGEMENTS:**

The Directors wish to place on record their appreciation and sincere thanks to all the stakeholders for their continued support. We look forward to your continued support and co-operation in the near future.

**By Order of the Board**

**Date : October 28, 2024**  
**Place : Mumbai**

<b>Praphul Shinde</b>	<b>Sachin Sawant</b>
<b>Whole-Time Director</b>	<b>Director</b>
<b>DIN: 03140671</b>	<b>DIN: 08245090</b>

## ANNEXURE 'A'

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to **Clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]**

### 1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy focuses on addressing critical, social, environmental and economic needs of the marginalized/underprivileged sections of the society. The Company adopts an approach that integrates the solutions to these problems into the strategies of the Company to benefit the communities at large and create social and environmental impact. The Company is committed to the vision of creating a dynamic and developed India along with environmental sustainability and actively contributes to the social and economic development of the communities by building a better and sustainable way of life for the weaker sections of society by providing pollution free environment, Basic Education & Medical Facilities. With this purpose the CSR Committee framed and recommended a CSR Policy to the Board for adoption and instituted a transparent monitoring mechanism for ensuring implementation of the projects / activities to be undertaken by the Company.

### 2. Composition of CSR Committee:

Company is not required to constitute CSR Committee

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://25south.in/>
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable for Financial Year 2023-24.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	2022-23	N.A.	N.A.
2	2021-22	N.A.	N.A.
3	2020-21	N.A.	N.A.
	<b>Total</b>	<b>N.A.</b>	<b>N.A.</b>



6. Average net profit/loss of the company as per section 135(5) : ₹ N.A
- 7 a. Two percent of average net profit of the company as per section 135(5) : ₹ Nil
- b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years : N.A.
- c. Amount required to be set off for the financial year, if any : N.A.
- d. Total CSR obligation for the financial year (7a+7b-7c) : N.A.
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in lakh)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
NIL	NIL	NIL	—	—	—

- (b) Details of CSR amount spent against ongoing projects for the financial year: None

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State	District				Name	CSR Registration Number

- (c) Details of CSR amount spent against other than ongoing projects for the financial year: None

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation — Through Implementing Agency	
				State	District			Name	CSR Registration Number

- (d) Amount spent in Administrative Overheads : Nil
- (e) Amount spent on Impact Assessment, if applicable : Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Nil

(g) Excess amount for set off, if any

Sr. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ Nil
(ii)	Total amount spent for the Financial Year	₹ Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (₹ in lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any.		Amount remaining to be spent in succeeding financial years (₹ in lakh)	Deficiency, if any
					Amount (₹ In lakh)	Date of transfer.		
1	2022-23	N.A.	N.A.	N.A.	Nil	N.A.	N.A.	N.A.
2	2021-22	N.A.	N.A.	N.A.	Nil	N.A.	N.A.	N.A.
3	2020-21	N.A.	N.A.	N.A.	Nil	N.A.	N.A.	N.A.

10. Whether any Capital Assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : NO

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : N.A.

By Order of the Board

Date : October 28, 2024  
Place : Mumbai

Praphul Shinde      Sachin Sawant  
Whole-Time Director      Director  
DIN: 03140671      DIN: 08245090

ANNEXURE 'B'

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

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

To,  
The Members,  
**TWENTY FIVE SOUTH REALTY LIMITED**  
Hindoostan Mills Compound,  
Kashinath Dhuri Marg, Patilwadi,  
Off Veer Savarkar Road,  
Prabhadevi, Mumbai - 400025

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TWENTY FIVE SOUTH REALTY LIMITED** (hereinafter called “**the Company**”) CIN: U51100MH1996PLC100876 and its Registered Office at Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi, Off Veer Savarkar Road, Prabhadevi, Mumbai-400025. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2024** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (if any);

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(There were no events requiring compliance during the audit period)**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - d. The Securities and Exchange Board of India (Share Based Employees Benefit and Sweat Equity) Regulation, 2021; **(There were no events requiring compliance during the audit period)**
  - e. 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;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(There were no events requiring compliance during the audit period)**
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(There were no events requiring compliance during the audit period)**
  - h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(There were no events requiring compliance during the audit period)**
  - i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - k. The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
- vi. The management has identified and confirmed the following laws as specifically applicable to the Company:
  - a. The Employees Provident Fund and Miscellaneous Provisions Act, 1952.
  - b. The Payment of Bonus Act, 1965.
  - c. The Employee State Insurance Act, 1948.
  - d. The Income Tax Act, 1961.
  - e. The Indian Stamp Act, 1899.
  - f. The State Stamp Acts.
  - g. Legal Metrology Act, 2009.
  - h. Shops and Establishment Act, 1953 and the rules, notifications issued thereunder.
  - i. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder.
  - j. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder.
  - k. The Environment (Protection) Act, 1986.

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

- i. Secretarial Standards with regard to Meeting of the Board of Directors (SS-1), General Meeting (SS-2), Secretarial Standard on Dividend (SS-3) and Secretarial Standard on Report of the Board of Directors (SS-4) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)");

During the period under review and subject to explanations submitted to us and representations made by the management, the Company with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above led to the following:

**Emphasis of Matter:**

We hereby draw your attention that the Company has not created debenture redemption reserve as required under section 71(4) of Companies Act, 2013 due to inadequacy of profits.

**Other Observations:**

- I. The Company has delayed in compliance with respect to Regulation 50 sub regulation 1 and Regulation 52 sub regulation 1, 4, 7 and 8 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- II. There were delays in submission of few intimations to the stock exchange and filing of forms with Registrar of Companies.*

**I further report that**

- The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation in the meeting.
- The decisions of the Board Meetings were carried out with requisite majority.

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

- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including actions for corrective measures, wherever found necessary.

**I further report that** during the audit period, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

- I. The Company has allotted 9,500 (nine thousand five hundred) secured, unrated, unlisted, subservient, redeemable and non-convertible debentures of face value of ₹ 1,000,000/- (rupees one million only) each, on private placement basis in a board meeting held on 09.06.2023.*
- II. The Company has allotted 1,450 (one thousand four hundred and fifty) senior, secured, unrated, unlisted, redeemable and non-convertible debentures of face value of ₹ 1,000,000/- (rupees one million only) each, on private placement basis in a board meeting held on 01.09.2023.*
- III. The Company has allotted 1,000 (one thousand) senior, secured, unrated, unlisted, redeemable and non-convertible debentures of face value of ₹ 1,000,000/- (rupees one million only) each, on private placement basis in a board meeting held on 20.09.2023.*
- IV. The Company has allotted 500 (five hundred) senior, secured, unrated, unlisted, redeemable and non-convertible debentures of face value of ₹ 1,000,000/- (rupees one million only) each, on private placement basis in a board meeting held on 29.09.2023.*
- V. The Company has allotted 500 (five hundred) senior, secured, unrated, unlisted, redeemable and non-convertible debentures of face value of ₹ 1,000,000/- (rupees one million only) each, on private placement basis in a board meeting held on 23.11.2023.*

**For HRU & Associates**

Company Secretaries

**Hemanshu Upadhyay**

Proprietor

ACS No.: 46800

C. P. No.: 20259

Peer Review No.: 3883/2023

UDIN: A046800F001753604

**Date: October 28, 2024**

**Place: Mumbai**

**This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.**

**“ANNEXURE-A”**

My report of even dated is to be read along with this letter:

**Management’s Responsibility Statement**

- i. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

**Auditor’s Responsibility Statement**

- ii. I have followed the audit practices and process as were appropriate to obtain responsible assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a responsible basis for my opinion.
- iii. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- iv. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

- v. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to verification of procedures on test basis.
- vi. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **HRU & Associates**  
Company Secretaries

**Hemanshu Upadhyay**  
Proprietor

ACS No.: 46800  
C. P. No.: 20259

Peer Review No.: 3883/2023

UDIN: A046800F001753604

**Date: October 28, 2024**  
**Place: Mumbai**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF TWENTY FIVE SOUTH REALTY LIMITED

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying standalone financial statements of **Twenty Five South Realty Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2024, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

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

#### Emphasis of Matters

We invite attention to;

- a) Recognition of expense for ongoing projects which is based upon estimated costs, as per the judgment of the management and have been relied upon by us, these being technical matters.
- b) Note No.29 of the standalone financial statements, regarding the reliance placed by the auditor on certification received from the management with regard to the disclosure of contingent liabilities of the company.



- c) Note No.30 of the standalone financial statements, regarding balances that are subject to confirmations, reconciliation and adjustment, if any.
- d) The Company has incurred cash losses during the current financial year as well as the immediately preceding financial year. As per records and information, on which we have relied, the nature of business of the Company and its revenue recognition policy has resulted in the Company showing cash losses. This loss is expected to be temporary in nature and the Company is expected to recover all its losses on the fructification of its project.

Our opinion is not qualified in respect of the above matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our audit report.

### **Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility

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

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

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

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Standalone Financials Statements dealt with by this Report are in agreement with the relevant books of account;

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197 (16) of the Act:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - 1. The Company has disclosed the impact of pending litigations as at 31st March 2024 on its financial position in its standalone financial statements (refer note no. 30);
  - 2. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses; and
  - 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - 4. (a) 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 entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or 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 entity, 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 person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ('Ultimate Beneficiaries') or provide any guarantee ,security or the like on behalf of the Ultimate Beneficiaries, and
- (c) Based on the 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.
5. No dividend has been declared or paid during the year by the Company.
6. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April 2023. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further during the course of our audit we did not come across any instance of audit trail feature being tempered with

**FOR A R C K & Co.**

Firm Registration No.: 138758W

Chartered Accountants

**CHIRAG M. HARANIYA**

Partner

Membership No.: 146683

UDIN: 24146683BKAUXY9981

Place : Mumbai

Date : 14th June 2024

## “ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

### **The Annexure referred to in the Independent Auditor’s Report to the members of the Company on the Standalone Financial Statement for the year ended 31 March, 2024**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment;
- (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company;
- (b) According to the information and explanation provided to us, a major portion of property, plant and equipment have been physically verified by the management during the year and we are further informed that no material discrepancy has been noticed by the management on such verification. In our opinion, the frequency of physical verification of property, plant and equipment is reasonable having regard to the size of the company and nature of its activities;
- (c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company;
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024;
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder;
- (ii) (a) In our opinion, the inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies exceeding 10% in the aggregate for each class of inventories were noticed on physical verification of inventories when compared with books of accounts;
- (b) The Company has not been sanctioned working capital limits in excess of Rs.5 crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company;
- (iii) (a) The Company has made investments and granted unsecured loans to companies, firms or other parties covered under section 189 of the Companies Act, 2013. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to subsidiaries,

associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below:

(₹ in lakhs)

Particulars	Amounts
Aggregate amount granted/ provided during the year (Net)	
Subsidiaries	61,736
Associates	-
Others	6,856
Balance outstanding (gross) as at balance sheet date in respect of the above cases	
Subsidiaries	61,736
Associates	-
Others	6,856

- (b) In respect of the aforesaid investments and loans, the terms and conditions under which such investments were made, guarantees provided and loans were granted are not prejudicial to the Company's interest, based on the information and explanations provided by the Company.
- (c) The schedule of repayment of principal and interest, if any, has been stipulated as per terms of the arrangement;
- (d) As per the terms and conditions of the arrangement, the amount of the loan is not overdue;
- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties;
- (f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment required details in respect thereof are as below:

(₹ in lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
— Repayable on demand	68,592	—	68,592
Percentage of loans/ advances in nature of loans to the total loans	100%	—	100%

- (iv) In our opinion and according to the information and explanation given to us and based on our audit procedures, the Company satisfies the conditions for exemption from the provisions of section 186. Accordingly, the provisions of section 186 do not apply to the Company. Further there are no loans, investments, guarantees and securities in respect of which the provisions of section 185 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company;



- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company;
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to construction industry, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same;
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable;
- (b) According to the information and explanation given to us and the records of the company examined by us, the dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in lakhs)

Name of Statute	Nature of Statutory Due	Amount of Demand	Amount paid under protest	Period to which it relates	Forum in which dispute is pending
Goods and Service Tax Act, 2017	Non-payment of tax on services supplied by government	361.84	32.78	FY 2017-18, 2018-19 and 2019-20	The Principal Commissioner (Appeals-II), Mumbai

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company;
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared a wilful defaulter by any banks or financial institutions or other lenders;
- (c) Term loans were applied for the purpose for which the loans were obtained;
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company;
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;



- (f) The Company has raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as per details below. Further, the Company has not defaulted in repayment of such loans raised:

(₹ in lakhs)

Nature of loan taken	Name of lender	Amount of loan	Name of the subsidiary, joint venture, associate	Relation	Details of security pledged
Secured Redeemable Non-Convertible Debentures	OCM India Opportunities XB Alternative Investment Fund	1,15,000	Twenty Five Downtown Realty Limited (Formerly known as Joyous Housing Limited)	Subsidiary	100% of the shares held by the Company

- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company;
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company;
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and as per the information and explanations given by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year;
- (b) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and as per the information and explanations given by the management, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year;
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year;
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b),(c) of the Order is not applicable to the Company;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties comply with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required under Ind AS 24 - Related Party Disclosures specified under Section 133 of the Act;
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business;
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us;

- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company;
- (xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of clauses (xvi) (a), (b), (c) and (d) of the Companies (Auditor's Report) Order, 2020 do not apply to the Company;
- (xvii) The Company has incurred cash losses during the financial year as well as the immediately preceding financial year. As per records and information, on which we have relied, the nature of business of the Company and its revenue recognition policy has resulted in the Company showing cash losses. This loss is expected to be temporary in nature and the Company is expected to recover all its losses on the fructification of its project;
- (xviii) The previous statutory auditors have resigned during the year. The issues, objections or concerns raised by the outgoing auditors, if any, have been considered at the time of the current audit;
- (xix) On the basis of the financial ratios disclosed in the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date;
- (xx) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a),(b) of the Order is not applicable to the Company;

**FOR A R C K & Co.**

Firm Registration No.: 138758W

Chartered Accountants

**CHIRAG M. HARANIYA**

Partner

Membership No.: 146683

UDIN: 24146683BKAUXY9981

Place : Mumbai

Date : 14th June 2024

## **ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT**

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

We have audited the internal financial controls over financial reporting of Twenty Five South Realty Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Management and Board of Directors of the Company are 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 adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 internal financial controls system over the financial reporting of the Company.

#### **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 standalone 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 standalone 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 standalone financial statements.

### **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.

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**FOR A R C K & Co.**

Firm Registration No.: 138758W

Chartered Accountants

**CHIRAG M. HARANIYA**

Partner

Membership No.: 146683

UDIN: 24146683BKAUXY9981

Place : Mumbai

Date : 14th June 2024

# STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in lakhs)			
Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>I ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, plant and equipment	3	1,076	426
(b) Capital work-in-progress	3	—	629
(c) Financial assets			
(i) Investments	4	27,724	—
(ii) Other financial assets	6	16	4
(d) Others non-Current tax assets (Net)	7	2,115	2,053
(e) Deferred tax assets (Net)	8	—	2,810
<b>Total Non-Current Assets</b>		<b>30,931</b>	<b>5,922</b>
<b>2. Current Assets</b>			
(a) Inventories	10	2,15,154	2,22,372
(b) Financial assets			
(i) Cash and cash equivalents	11	16,523	17,470
(ii) Loans	5	75,591	—
(iii) Other financial assets	6	25,621	1,410
(c) Other current assets	9	3,273	4,441
<b>Total Current Assets</b>		<b>3,36,162</b>	<b>2,45,693</b>
<b>TOTAL ASSETS</b>		<b>3,67,093</b>	<b>2,51,615</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity share capital	12	5	5
(b) Other equity	13	(55,997)	(28,631)
<b>Total Equity</b>		<b>(55,992)</b>	<b>(28,626)</b>
<b>2. Liabilities</b>			
<b>(i) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	2,71,495	1,76,294
(ii) Other Financial Liabilities	16	982	2,386
(b) Provisions	17	149	116
(c) Deferred Tax Liabilities (Net)	8	14,049	—
<b>Total Non-Current Liabilities</b>		<b>2,86,677</b>	<b>1,78,797</b>
<b>(ii) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14	—	430
(ii) Trade payables	15		
Due to micro and small enterprises		55	82
Due to others than micro and small enterprises		4,398	3,894
(iii) Other financial liabilities	16	48,824	2,103
(b) Other current liabilities	18	83,095	94,902
(c) Provisions	17	35	33
<b>Total Current Liabilities</b>		<b>1,36,407</b>	<b>1,01,444</b>
<b>Total Liabilities</b>		<b>4,23,084</b>	<b>2,80,241</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,67,093</b>	<b>2,51,615</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR A R C K & Co.  
Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

CHIRAG M. HARANIYA  
PARTNER  
Membership No. 146683

Mumbai  
Date: 14th June, 2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PRAPHUL SHINDE  
WHOLE-TIME DIRECTOR  
DIN 03140671

PRACHI MANKAME  
COMPANY SECRETARY

Mumbai  
Date: 14th June, 2024

SACHIN SAWANT  
DIRECTOR  
DIN 08245090

ALAKNANDA PURAV  
CHIEF FINANCIAL OFFICER

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)			
Particulars	Note No.	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>I Income</b>			
Revenue from Operations	19	73,899	1,20,808
Other Income	20	11,003	607
Total Income		84,902	1,21,415
<b>II Expenses</b>			
Costs of Construction / Development	21	22,495	26,895
Purchases of Stock-in-Trade		2,018	1,829
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	22	7,260	56,383
Employee Benefits Expenses	23	1,479	1,203
Finance Costs	24	50,974	55,461
Depreciation and Amortisation Expenses	25	377	83
Other Expenses	26	10,806	21,823
Total Expenses		95,409	1,63,677
<b>III Profit / (Loss) before Tax</b>		(10,507)	(42,261)
<b>IV Tax Expense</b>			
(1) Current Tax		—	—
(2) Deferred tax (charge) / credit		(16,859)	(4)
(3) Excess / (Short) provision for taxation in respect of earlier years		—	142
Total tax expense for the Year		(16,859)	138
<b>V Profit / (Loss) for the Year</b>		(27,366)	(42,123)
<b>VI Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Remeseasurement of the net defined benefit plans		—	—
<b>VII Total comprehensive income for the year</b>		(27,366)	(42,123)
<b>VIII Earning per equity share of nominal value of ₹ 10/- each</b>			
Basic and Diluted	27	(56,852)	(87,510)

The accompanying notes are an integral part of the financial statements

As per our report of even date

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# STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation as per Statement of Profit and Loss	(10,507)	(42,261)
Add / (Less) :		
Finance costs	50,974	1
Depreciation and amortisation	377	83
Interest income	(10,997)	(407)
Loss on foreign currency fluctuation (Net)	—	3
Excess provision written back	(80)	(37)
Sundry Credit balance written back	(10)	(51)
	40,264	(408)
<b>Operating profit/(loss) before working capital changes</b>	29,757	(42,670)
Add / (Less) :		
(Increase) in inventories	7,219	56,473
(Increase) / Decrease in Other Current & Non current Assets	—	18
(Increase) / Decrease in Loans and advances	(14,400)	(2,300)
Increase / (Decrease) in trade and other payables	(9,362)	(45,419)
Direct taxes paid	(62)	(1,028)
	(16,606)	7,744
<b>Net cash flow from/(used in) operating activities</b>	13,151	(34,926)
<b>II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
Inflow / (Outflow) on account of :		
Interest income received	2,343	272
(Increase)/Decrease in loans given	(75,592)	—
Purchase of fixed assets	(398)	(980)
Purchase of Non Current Investments	(27,724)	—
<b>Net cash flow from/(used in) investing activities</b>	(1,01,371)	(708)
<b>III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>		
Inflow / (Outflow) on account of :		
Proceeds from Long Term Borrowings	1,38,785	64,902
Repayment of Short Term Borrowings	(430)	(3,875)
Repayment of Security Deposit	(94)	(6,718)
Finance costs paid	(50,988)	(6,989)
<b>Net cash flow from/(used in) financing activities</b>	87,272	47,320
<b>Net increase/(decrease) in cash and cash equivalents ( I + II + III )</b>	(946)	11,687
<b>Add: Balance at the beginning of the year</b>	17,470	5,783
<b>Cash and cash equivalents at the end of the year</b>	16,523	17,470
<b>Components of cash and cash equivalents (Refer Note 11)</b>		
Cash on hand	0.2	0.1
Balances with banks		
— in Current accounts	10,888	2,105
— in Deposits with maturity of more than three months	5,635	15,364
	16,523	17,470

The accompanying notes are an integral part of the financial statements

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows.

As per our report of even date

FOR A R C K & Co.  
Firm Registration No. 1138758W  
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Mumbai  
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FOR AND ON BEHALF OF BOARD OF DIRECTORS

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CHIEF FINANCIAL OFFICER

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Notes	Amount ₹
<b>A. EQUITY SHARE CAPITAL</b>		
As at 01st April, 2022	12	5
Changes in equity share capital		—
As at 31st March, 2023		5
Changes in equity share capital		—
As at 31st March, 2024		5

### B. OTHER EQUITY (Refer Note 13)

	Reserves and Surplus				Total
	Securities Premium reserve	Debenture Redemption Reserve	General reserve	Retained Earnings	
Balance at 1st April, 2022	18,663	—	—	(5,170)	13,492
Profit / (Loss) for the year	—	—	—	(42,123)	(42,123)
Remeasurement of net defined benefit recognised in other comprehensive income	—	—	—	—	—
Balance at 31st March, 2023	18,663	—	—	(47,293)	(28,631)
Balance at 1st April, 2023	18,663	—	—	(47,293)	(28,631)
Profit / (Loss) for the year	—	—	—	(27,366)	(27,366)
Remeasurement of net defined benefit recognised in other comprehensive income	—	—	—	—	—
<b>Balance at 31st March, 2024</b>	<b>18,663</b>	<b>—</b>	<b>—</b>	<b>(74,659)</b>	<b>(55,997)</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR **A R C K & Co.**  
Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

**CHIRAG M. HARANIYA**  
PARTNER  
Membership No. 146683

Mumbai  
Date: 14th June, 2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**PRAPHUL SHINDE**  
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**PRACHI MANKAME**  
COMPANY SECRETARY

Mumbai  
Date: 14th June, 2024

**SACHIN SAWANT**  
DIRECTOR  
DIN 08245090

**ALAKNANDA PURAV**  
CHIEF FINANCIAL OFFICER



## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 1. CORPORATE INFORMATION

#### 1.1 Company Overview

Twenty Five South Realty Limited is a listed public limited company domiciled in India, incorporated under the provision of the Companies Act, 1956 read with the general circular 15 / 2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. The Company is engaged in real estate business of construction and development of residential and commercial premises.

- 1.2 The standalone financial statements for the year ended March 31, 2024, are approved for issue by the Company's Board of Directors in the meeting held on 14th June, 2024

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

#### I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

##### (i) Compliance with Ind AS

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the standalone financial statements.

##### (ii) Historical Cost Convention

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

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

##### (iii) Current and Non-Current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

#### II SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### a) Judgements

#### *Classification of Property*

The company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

### 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 changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### i) Employee Benefit Plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

#### ii) Estimation of Net Realisable Value For Inventory

Inventory are stated at the lower of cost and net realisable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Advance given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### iii) Valuation of Investment in / Loans to Subsidiaries

The investments are measured at cost / carrying value. The Company has performed valuation for its investments in equity of subsidiaries, associates and JVs for assessing whether there is any impairment. In case of impairment the fair value of investments is determined. Where the fair value of investments in entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried out for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.

### iv) Income tax Provisions are based on Company's judgement of Allowances/Disallowance considering computation of Income.

## III REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

### A. Revenue from Sale of Properties / Development Rights

- i. Revenue from the sale of properties / flats/ commercial premises / units in a project are recognised when the company satisfies performance obligations at a point in time i.e when control is transferred to the customer which is usually on giving soft possession for fitouts or actual possession to the customer.
- ii. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, rebates, price concessions, returns and financing component if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Statement of profit and Loss Account.
- iii. Amount received as Advance from customers on Invoicing / raising demand letters are classified as Contract Liabilities. The company's right to consideration in exchange for goods or services that the company has transferred to the customer are classified as receivables.

In arrangements for sale of units the Company has applied the guidance in IND AS 115, on "Revenue from contracts with customers", by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations.

### B. Revenue from Trading Materials:

Revenue from sale of trading material is recognised when control of promised goods are transferred to the customer.

### C. Revenue from Project Management Services:

Revenue from 'project management services' is recognized only on satisfaction of performance obligation of promised services based on the agreements between the Company and the customer to whom such services are rendered.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### D. Interest and Dividend:

Interest income including income arising on other instruments is recognised on time proportion basis using the effective interest rate method. Dividend income is recognized when the right to receive dividend is established.

### E. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

## IV PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMMORTISATION

- A. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its Property, Plant and Equipment and Investment property and use that carrying value as the deemed cost on the date of transition i.e. 1st April, 2015.
- B. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- C. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.
- D. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant and Machinery (Mivan System)	3
Computer	3
Office Equipments	5
Furniture and Fixture	10
Project office*	4
* Expenses related to project office specifically relating to the project has amortised over the project completion period which is estimated to be 4 years.	

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### V 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. Investments and Financial Assets

##### i. *Initial Recognition*

Financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### ii. *Subsequent Measurement*

For purposes of subsequent measurement, financial assets are classified in following categories:

##### a) *Financial Assets at Amortised Cost*

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

##### b) *Financial Assets Measured at Fair Value*

Financial assets are measured at fair value through Other Comprehensive Income (OCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at Fair Value Through Profit & Loss (FVTPL)..

##### iii. *De-recognition of Financial Assets:*

The Company de-recognises 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 risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### i. Equity Instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### ii. Financial Liabilities

##### 1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### 2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

##### — Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at VTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

##### — Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss.

##### 3. Derecognition of financial instruments

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

## VI DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## VII IMPAIRMENT

### a. Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### b. Non-Financial Assets

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. 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 cost 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.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

#### i. *Intangible Assets and Property, Plant and Equipment*

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

#### ii. *Provisions*

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### VIII TAXATION

#### i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

#### ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

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

#### iii. Current and Deferred Tax For The Year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### IX INVENTORIES

All inventories are stated at lower of Cost or Net Realizable Value.

- A. Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.
- B. Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.
- C. Traded goods includes cost of purchases and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- D. Finished properties Valued at lower of cost or net realizable value.



## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

- E. Inventory value includes costs incurred upto the completion of the project viz. cost of land / rights, value of floor space index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

### X TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### XI TRADE RECEIVABLES

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business.

### XII EMPLOYEE BENEFITS

#### a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

#### b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the Balance Sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

#### c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

#### d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives, etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### XIII BORROWINGS AND BORROWING COSTS

Borrowing are initially recognised at Net off transaction cost incurred and measured at amortised cost. Any difference between the proceeds ( net of transaction costs) and the redemption amount is recognised in statetment of profit and loss over ther period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in the statement of profit and loss as finance cost.

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

### XIV EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### XV CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

### XVI CASH AND CASH EQUIVALENT

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an 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.

### XVII FOREIGN CURRENCY TRANSACTIONS

- A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the statement of profit and loss.
- C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### XVIII SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of “Real Estate Development”. Thus, as defined in Ind AS 108 “Operating Segments”, the Company’s entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

### XIX PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

	Mivan System (Reckli formliner)	Mivan System	Computers and Laptops	Furniture and Fixtures	Office Equipment	Project office	Vehicle	Total	Capital work-in- progress
<b>Cost or deemed cost</b>									
Balance at 31st March, 2022	485	269	24	132	120	460	—	1,490	—
Additions	182	—	12	7	24	—	125	351	629
Disposals/Discarmnt	—	—	—	—	—	—	—	—	—
Transferred to addition	—	—	—	—	—	—	—	—	—
	667	269	36	140	145	460	125	1,841	629
<b>Accumulated depreciation and impairment</b>									
Balance at 31st March, 2022	466	254	14	56	82	460	—	1,332	—
Eliminated on disposal/discardment of assets	—	—	—	—	—	—	—	—	—
Depreciation expense	26	—	9	14	27	—	8	83	—
Balance at 31st March, 2023	491	254	24	70	109	460	8	1,415	—
Carrying amount as at 31st March, 2023	176	15	12	70	36	—	117	426	629

	Mivan System (Reckli formliner)	Mivan System	Computers and Laptops	Furniture and Fixtures	Office Equipment	Project office	Vehicle	Total	Capital work-in- progress
<b>Cost or deemed cost</b>									
Balance at 31st March, 2023	667	269	36	140	145	460	125	2,470	629
Additions	1,064	—	4	—	15	—	57	1,141	—
Disposals/Discarmnt	—	—	—	—	—	—	(125)	(125)	—
Transferred to addition	—	—	—	—	—	—	—	—	—
	1,731	269	40	140	160	460	57	3,486	629
<b>Accumulated depreciation and impairment</b>									
Balance at 31st March, 2023	491	254	24	70	109	460	8	1,415	—
Eliminated on disposal/discardment of assets	—	—	—	—	—	—	(10)	(10)	—
Depreciation expense	312	—	8	14	24	—	19	1,005	629
Balance at 31st March, 2024	803	254	31	84	133	460	16	2,410	629
Carrying amount as at 31st March, 2024	928	15	9	56	27	—	41	1,076	—

**Footnote:**

Fixed Assets under project office being fully amortized

(₹ in lakhs)

**Ageing for CWIP outstanding as at March 31, 2023 is as follows:**

CWIP ageing schedule	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	629	—	—	—	629
Projects temporarily suspended	—	—	—	—	—

**Ageing for CWIP outstanding as at March 31, 2024 is as follows:**

CWIP ageing schedule	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	—	—	—	—	—
Projects temporarily suspended	—	—	—	—	—

# NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
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## NOTE 4. INVESTMENT

Investment in Equity Instrument, Unquoted, at Cost in subsidiaries;	27,724	—
Twenty Five South Downtown Realty Limited		
75,000 (PY Nil) fully paid up Equity Shares of ₹ 100 each)		
<b>Total</b>	<b>27,724</b>	<b>—</b>

During the year, on 4th September, 2023, the compnay has acquired 75,000 equity shares having a face value of ₹ 100 each of Twenty Five Downtown Realty Limited, a body corporate registered in Mumbai, post which Twenty Five Dowlntown Realty Limited is a subsidiary of the Company.

## NOTE 5. LOANS

### Current

Unsecured, considered good)		
Loan to related parties (Refer Note 30)	68,592	—
Other Advances	7,000	—
<b>Total</b>	<b>75,592</b>	<b>—</b>

During the year, on 4th September, 2023, apart from acquisition of 75,000 equity shares of Twenty Five Downtown Realty Limited as explained in sub-note to Note 4.

## NOTE 6. OTHER FINANCIAL ASSETS

### Non-current

Security deposits	16	4
<b>Total</b>	<b>16</b>	<b>4</b>

### Current

#### Other Advances and Receivables

Related party		
— Advances For FSI	15,000	—
Others	1,819	1,263
	<b>16,819</b>	<b>1,263</b>
Interest accrued on fixed deposits	57	147
Interest accrued and not due on Inter Corporate Deposits	8,744	—
<b>Total</b>	<b>25,621</b>	<b>1,410</b>

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
<b>NOTE 7. OTHER NON-CURRENT TAX ASSETS (NET)</b>		
Advance Income Tax paid	2,116	2,053
Less: Provision for Tax	—	—
<b>Total</b>	<b>2,116</b>	<b>2,053</b>

### NOTE 8. DEFERRED TAX ASSETS (NET)

The following is the analysis of deferred tax asset / (liabilities) presented in the balance sheet

Deferred Tax Asset	—	2,810
Deferred Tax Liability	(14,049)	—
<b>Total</b>	<b>(14,049)</b>	<b>2,810</b>

2023-2024	Opening Balance	Credit/(Charge) in statement of Profit and Loss	Closing Balance
<b>Deferred tax assets / (liabilities) in relation to:</b>			
On account of Others	4,699	11,033	15,732
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis.	10,941	(10,941)	—
On account of Inventory	(12,990)	(16,984)	(29,974)
Property, plant and equipment	160	33	193
<b>Total</b>	<b>2,810</b>	<b>(16,859)</b>	<b>(14,049)</b>

2022-2023	Opening Balance	Credit/(Charge) in statement of Profit and Loss	Closing Balance
<b>Deferred tax assets / (liabilities) in relation to:</b>			
On account of Others	20	4,679	4,699
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis.	37,645	(26,704)	10,941
On account of Inventory	(35,026)	22,036	(12,990)
Property, plant and equipment	175	(15)	160
<b>Total</b>	<b>2,813</b>	<b>(4)</b>	<b>2,810</b>

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
<b>NOTE 9. OTHER ASSETS</b>		
<b>Current</b>		
Advance to Suppliers	1,761	1,897
GST input credit receivable	1,487	565
Advances Towards Prospective Investment	—	176
Other Receivables	—	20
Other Advances		
— Prepaid Expenses	24	8
— Others	—	1,775
<b>Total</b>	<b>3,273</b>	<b>4,441</b>

## NOTE 10. INVENTORIES

Inventories (lower of cost or net realisable value)

— Stock of material at site	122	80
— Stock in Trade	650	768
— Finished Properties	2,596	58,060
— Incomplete projects	2,11,787	1,63,465
<b>Total</b>	<b>2,15,154</b>	<b>2,22,372</b>

## NOTE 11. CASH AND CASH EQUIVALENTS

Balances with banks:

— in current accounts	10,888	2,105
— in deposit with maturity of more than three months	5,635	15,364
Cash on hand	0.20	0.07
<b>Total</b>	<b>16,523</b>	<b>17,470</b>

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ lakhs)

	As at 31st March, 2024	As at 31st March, 2023
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### NOTE 12. EQUITY SHARE CAPITAL

Equity share capital	5	5
<b>Total</b>	<b>5</b>	<b>5</b>

#### Authorised Share Capital:

95,000 ( PY: 95,000) Ordinary Equity Shares of ₹ 10/- each	9.5	9.5
50,000 (PY: 50,000) Class A Equity Shares of ₹ 10/- each	5	5
5,000 (PY: 5,000) Class B Equity Shares of ₹ 10/- each	0.5	0.5
50,000 ( PY : 50,000), 10% Non Cumulative Redeemable Preference Shares of ₹ 10/- each (Refer Note 14 (e))	5	5
<b>Total</b>	<b>20</b>	<b>20</b>

#### Issued and subscribed capital comprises:

##### Ordinary Equity Shares

37,306 ( PY: 37,306) Equity Shares of ₹ 10/- each fully paid up	3.73	3.73
	<b>3.73</b>	<b>3.73</b>

##### Class A Equity Shares

10,200 (PY: 10,200) Equity Shares of ₹ 10/- each full paid up	1.02	1.02
	<b>1.02</b>	<b>1.02</b>

##### Class B Equity Shares

629 (PY: 629) Equity Shares of ₹ 10/- each full paid up	0.06	0.06
	<b>0.06</b>	<b>0.06</b>

<b>Total</b>	<b>4.81</b>	<b>4.81</b>
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#### a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

##### Ordinary Equity Shares

	Number of shares	Number of shares
<b>Balance at 31st March, 2022</b>	<b>37,306</b>	<b>3,73,060</b>
Add / (Less) : Issued / (Bought back) during the year	—	—
<b>Balance at 31st March, 2023</b>	<b>37,306</b>	<b>3,73,060</b>
Add / (Less) : Issued / (Bought back) during the year	—	—
<b>Balance at 31st March, 2024</b>	<b>37,306</b>	<b>3,73,060</b>

##### Class A Equity Shares

<b>Balance at 31st March, 2022</b>	<b>10,200</b>	<b>1,02,000</b>
Add / (Less) : Issued / (Bought back) during the year	—	—
<b>Balance at 31st March, 2023</b>	<b>10,200</b>	<b>1,02,000</b>
Add / (Less) : Issued / (Bought back) during the year	—	—
<b>Balance at 31st March, 2024</b>	<b>10,200</b>	<b>1,02,000</b>

##### Class B Equity Shares

<b>Balance at 31st March, 2022</b>	<b>629</b>	<b>6,290</b>
Add / (Less) : Issued / (Bought back) during the year	—	—
<b>Balance at 31st March, 2023</b>	<b>629</b>	<b>6,290</b>
Add / (Less) : Issued / (Bought back) during the year	—	—
<b>Balance at 31st March, 2024</b>	<b>629</b>	<b>6,290</b>



## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**b) Terms / rights attached to Equity Shares:**

- i. The ordinary equity shares have a face value of ₹ 10/- per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution ES will be in proportion to the number of equity shares held by the shareholders.
- ii. Class A shareholder will have preference to dividend and additional voting rights as per shareholder agreement depending on cost at performance milestones.
- iii. Class B shareholder will have preference to dividend and additional voting rights as per shareholder agreement depending on cost at performance milestones.

**c) Details of shares held by each shareholders holding more than 5% shares**

**i. Equity Share Capital**

	As at 31st Mar, 2024		As at 31st Mar, 2023	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
<b>Ordinary Equity Shares</b>				
Nitant Real Estate Private Limited	22,859	61.27%	22,859	61.27%
Distinctive Realty Private Limited	2,704	7.25%	2,704	7.25%
Amazia Developer Private Limited	11,191	30.00%	11,191	30.00%
<b>Class 'A' Equity Shares</b>				
Amazia Developer Private Limited	10,200	100%	10,200	100%
<b>Class 'B' Equity Shares</b>				
Amazia Developer Private Limited	629	100%	629	100%

**d) Details of Shares held by each promoters**

Name of Shareholders	As at 31st March, 2024		As at 31st March, 2023		Changes in Shareholding (%)
	No. of Shares held	% holding of this class of shares	No. of Shares held	% holding of this class of shares	
<b>Fully paid equity shares</b>					
Nitant Real Estate Private Limited	22,859	61.27%	22,859	61.27%	—
	22,859	61.27%	22,859	61.27%	

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
<b>NOTE 13. OTHER EQUITY</b>		
<b>Securities premium reserve</b>		
Balance at the beginning of the year	18,663	18,663
Add / (Less) :	—	—
Premium on account of shares allotted during the year	—	—
<b>Balance at the end of the year</b>	<b>18,663</b>	<b>18,663</b>
<b>Retained Earnings</b>		
<b>Balance at the beginning of the year</b>	<b>(47,293)</b>	<b>(5,170)</b>
Profit attributable to the owners of the company	(27,366)	(42,123)
Other comprehensive income for the year	—	—
Balance at the end of the year	(74,659)	(47,293)
<b>Total</b>	<b>(55,997)</b>	<b>(28,631)</b>

## NOTE 14. BORROWINGS

### Non-current

#### Secured

(i) Debentures - Secured		
1,000 (PY :1,000) (Series A - 8%) Listed, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 8.29 lakhs- each (Refer footnote a)	10	10
3,500 (PY : 3,500) (Series B - 18%) Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹10 lakhs - each (Refer footnote b)	35,000	35,000
12,950 (PY : Nil) (Series C - 18%)Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 8,88,031 - each (Refer footnote b)	1,15,000	-
9,740 (PY : 9,740) Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 9,07,598 - each (Refer footnote c)	88,400	88,400
1,400 (PY : 1,400) Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 10 lakhs - each (Refer footnote c)	14,000	14,000
(ii) Redemption Premium		
Premium on redemption of debentures	534	184
Premium on redemption of debentures (Value at Amortised cost adjustment IND AS)	62,135	38,700
(iii) Liability Component of Preference Shares		
1,865 (PY : 1,865) 10% Non Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up (Refer footnote e)	0.19	0.19
<b>Total</b>	<b>3,15,079</b>	<b>1,76,294</b>
Less: Transferred to Current Maturities	43,584	—
<b>Total</b>	<b>43,584</b>	<b>—</b>
	<b>2,71,495</b>	<b>1,76,294</b>

# NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## Footnotes:

### a. Senior (Listed) A Series Non Convertible Debentures :

- i. Senior Debentures A series are Listed carry coupon at the rate of 18%, the debentures are to be redeemed at 20% IRR post tax as on redemption date less coupon payments monthly.
- ii. The debentures are secured against first charge on the 25 South Project.
- iii. The Company has B+ rating for the Debentures.
- iv. Debentures having a residual value of ₹ 10 Lacs are to be redeemed post redemption of Junior (unlisted) Non Convertible Debentures.

### b. Senior (Unlisted) Series B and Series C Non Convertible Debentures :

- i. Senior Debentures B and C series are Unlisted carry a coupon rate of 18% PA, these debentures are to be redeemed at IRR of 20% post tax on the redemption date of 31st December, 2025, less monthly coupon payments.
- ii. The debentures are secured against first charge on the 25 South Project.
- iii. Share investment in Twenty Five Downton Realty Limited are pledged against Series C NCDs.

### c. Junior (Unlisted) Non Convertible Debentures :

- i. Junior Debentures are Unlisted are to be redeemed at 16.30% IRR on redemption date in three instalments starting from December 2025.
- ii. The debentures are secured against Second charge (pari pasu) on the 25 South Project.

	(₹ in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>d. Preference Share Capital</b>		
Nitant Real Estate Private Limited		
No of shares held	1,865	1,865
% holding of this class of shares	100	100
<b>e. Preference Shares</b>		
Balance at 1st April, 2022	1,865	1,865
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
Balance at 31st March, 2023	1,865	1,865
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
<b>Balance at 31st March, 2024</b>	<b>1,865</b>	<b>1,865</b>

## Footnote:

The preference shares have been classified as a financial liability as per Ind AS 32 and 109. As per Ind AS 32 and 109 if the issuer does not have the unconditional right to avoid cash outflow at the end of the term of preference shares, the instrument is classified as a financial liability. Hence they have been grouped under non-current borrowings.

## Unsecured

### (i) Loans repayable on demand:

— From Related Party	—	430
<b>Total</b>	<b>—</b>	<b>430</b>

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 15. TRADE PAYABLES

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade payable</b>					
Due to micro and small enterprises (Refer Footnote)	27	11	17	—	55
Due to others than micro and small enterprises	2,801	784	814	—	4,398
<b>Total</b>					<b>4,453</b>

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade payable</b>					
Due to micro and small enterprises (Refer Footnote)	64	18	—	0.1	82
Due to others than micro and small enterprises	2,359	993	483	59	3,894
<b>Total</b>					<b>3,976</b>

#### Footnote:

#### Dues to Micro and Small Enterprises :

- The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:
  - The principal amount remaining unpaid to suppliers at the end of the year. - ₹ 55 Lakhs (P.Y. ₹ 82 Lakhs)
  - Interest due remaining unpaid to any supplier at the end of the year. - Nil (P.Y. Nil)
  - The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the payment made to supplier beyond the appointed day during the year. - Nil (P.Y. Nil)
  - The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006. - Nil (P.Y. Nil)
  - The amount of interest accrued and remaining unpaid at the end of each accounting year. - Nil (P.Y. Nil)
  - The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006 - Nil (P.Y. Nil)
- The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act. The overdue principal amounts outstanding to the extent ₹ 55 lakhs (P.Y.-₹ 82 lakhs ) are payable to such vendors at the Balance Sheet date. The interest on overdue amount has not been provided/paid since there are differences in supplier account balances is under reconciliation.

# NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
--	---------------------------	---------------------------

## NOTE 16. OTHER FINANCIAL LIABILITIES

### Non-current

Retention money payable (Refer footnote)	982	905
Other Payables	—	1,481
<b>Total</b>	<b>982</b>	<b>2,386</b>

### Footnote:

Contractors Retention Money liability which are due for payment as at 31st March, 2024 are shown under “Other Financials Liabilities” as per Ind AS-32. The management is after opinion that the retention liability is in the nature of guarantee towards performance and does not relate to the credit period given by the contractor. Further, in the opinion of the management, there has not been any authoritative clarification/interpretation with regard to measurement of fair value in respect of above item considering which retention money liability has not been discounted as on 31st March, 2024.

### Current

Current maturities of long-term debts (Refer Note 14)	43,584	—
Interest accrued but not due on borrowings	—	14
Retention money payable	953	543
Security deposits (Refundable)	—	94
Other payables	4,287	1,453
<b>Total</b>	<b>48,824</b>	<b>2,103</b>

## NOTE 17. PROVISIONS

### Non-current

Employee Benefits		
Provision for Gratuity	109	98
Provision for leave benefit	41	18
<b>Total</b>	<b>149</b>	<b>116</b>

### Current

Employee Benefits		
Provision for Gratuity	17	17
Provision for leave benefit	18	16
<b>Total</b>	<b>35</b>	<b>33</b>

## NOTE 18. OTHER CURRENT LIABILITIES

### Current

Advance from customers	82,701	94,720
Other payables :		
— Statutory dues	272	182
— Employees benefit payables	123	1
<b>Total</b>	<b>83,095</b>	<b>94,902</b>

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Year Ended 31st March, 2024	Year Ended 31st March, 2023
--	--------------------------------	--------------------------------

### NOTE 19. REVENUE FROM OPERATIONS

Revenue from Sale of Finished Properties	71,596	1,19,862
Revenue from Sale of trading materials	1,531	847
Other operating revenue :		
Excess Provision written back	80	37
Other operating Income	643	—
Management and Professional Fees Received	39	—
Sundry Credit balance appropriated	10	51
Royalty Income	—	10
<b>Total</b>	<b>73,899</b>	<b>1,20,808</b>

### NOTE 20. OTHER INCOME

#### Interest Income:

Bank fixed deposits	1,002	399
Interest Received on NCD's	750	—
Interest on Others	9,246	9

**Total (a)** **10,997** **408**

#### Miscellaneous income

**Total (b)** **5** **200**

**Total (a) + (b)** **11,003** **607**

### NOTE 21. COSTS OF CONSTRUCTION / DEVELOPMENT

#### Construction costs incurred during the year:

Land / rights acquired	—	738
Material and labour costs	21,353	19,357
Approval and consultation expenses	1,142	6,800
<b>Total</b>	<b>22,495</b>	<b>26,895</b>

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Year Ended 31st March, 2024	Year Ended 31st March, 2023
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### NOTE 22. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Opening Inventory :

Incomplete projects	1,63,465	2,78,273
Finished Properties	58,060	—
Stock in Trade (Trading Material)	768	402
	<u>2,22,292</u>	<u>2,78,675</u>

Closing Inventory :

Incomplete projects	2,11,787	1,63,385
Finished Properties	2,596	58,060
Stock in Trade	650	768
Stock of material at site	—	80
	<u>2,15,032</u>	<u>2,22,292</u>
<b>Total</b>	<u>7,260</u>	<u>56,383</u>

### NOTE 23. EMPLOYEE BENEFITS EXPENSES

Salaries, bonus, etc.	1,420	1,097
Contribution to provident and other funds	41	94
Staff welfare expenses	16	11
Other fund expenses	2	1
<b>Total</b>	<u>1,479</u>	<u>1,203</u>

### NOTE 24. FINANCE COSTS

Interest costs:—

Interest on Debentures (Refer foot note)	50,374	45,126
Premium on Redemption of debentures	427	3,199
Interest on Fixed loans	70	7,031
Other interest expense	104	105
<b>Total</b>	<u>50,974</u>	<u>55,461</u>

**Footnote :**

- a. In the line with IND AS-23 'Borrowing Costs,' the borrowing cost of ₹ 34,922 Lakhs (P.Y. ₹ 55,461 lakhs) have been capitalised to Inventory .

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Year Ended 31st March, 2024	Year Ended 31st March, 2023
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### NOTE 25. DEPRECIATION AND AMORTISATION EXPENSES

Depreciation of property, plant and equipment	377	83
<b>Total</b>	<b>377</b>	<b>83</b>

### NOTE 26. OTHER EXPENSES

Insurance	78	123
Rent	38	16
Rates and taxes	235	234
Advances and other debit balances written off	16	4
Advertisement expenses	630	1,742
Brokerage expenses	2,399	2,718
Directors' fees and travelling expenses	11	12
Travelling and conveyance expenses	12	22
Repairs and society maintenance charges	358	54
Legal and professional fees	877	9,254
Loss on Sale of Fixed Assets	40	—
Loss on foreign currency fluctuation (Net)	2	3
Other expenses	6,110	7,641
<b>Total</b>	<b>10,806</b>	<b>21,823</b>

#### b. Auditors Remuneration (included in other expenses)

Audit fees	4	4
Limited review fees	1	2
<b>Total</b>	<b>5</b>	<b>5</b>

### NOTE 27. EARNINGS PER SHARE (EPS)

#### Earning Per Share has been computed as under:

Profit /(Loss) for the year	(27,366)	(42,123)
Weighted average number of equity shares outstanding	0.48	0.48
Earnings Per Share (₹) - Basic (Face value of ₹10 per share)	(56,852)	(87,510)

Diluted earning per share is same as basic earning per share.



## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Year ended 31st March, 2024	Year ended 31st March, 2023
<b>NOTE 28. POST RETIREMENT BENEFIT PLANS</b>		
<b>The Principal assumptions used for the purpose of the actuarial valuations were as follows,</b>		
<b>Gratuity:</b>		
Discount Rate	7.09%	7.29%
Expected rate of salary increase	6%	6%
Expected average remaining service	15.29	15.46
<b>Service cost</b>		
Current service cost	15.14	18.25
Past service cost and (gain)/loss from settlement	—	—
Net interest expense	8.19	2.71
<b>Component of define benefit cost recognised in profit or loss</b>	23.33	20.97
Acturial (gains) / losses for the period	(7)	55
<b>Component of defined benefit cost recognised in other comprehensive income</b>	(7)	55
<b>Total</b>	16.70	75.72
Present value of funded defined benefit obligation	126	115
Fair value of plan assets	—	—
<b>Funded status</b>	(126)	(115)
<b>Movement in PV of defined benefit obligation</b>		
Opening define benefit obligation	115	40
Current service cost	15	18
Interest cost	8	3
Acturial (gains) / losses for the period	(7)	55
Benefits paid	(6)	—
<b>Closing define benefit obligation</b>	126	115
<b>Movements in fair value of plan asstes</b>		
Opening fair value of plan assets	—	—
<b>Closing fair value of plan assets</b>	—	—
<b>Asset Information:</b>		
Gratuity Fund	Total Amount	Total Amount
	—	—
<b>Expected Payout:</b>		
	PVO Payout	PVO Payout
Expected Outgo First Year	17	17
Expected Outgo Second Year	3	3
Expected Outgo Third Year	8	3
Expected Outgo Fourth Year	12	8
Expected Outgo Fifth Year	21	11
Expected Outgo Sixth to Tenth Years	25	33

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Year ended 31st March, 2024	Year ended 31st March, 2023
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### Sensitivity Analysis:

As of 31st March, 2024, every percentage point increase in discount rate will affect our gratuity benefit obligation ₹ 1.16 Crore

As of 31st March, 2024, every percentage point decrease in discount rate will affect our gratuity benefit obligation ₹ 1.38 Crore

As of 31st March, 2024, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation ₹ 1.34 Crore

As of 31st March, 2024, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation ₹ 1.18 Crore

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March, 2024 is **NIL**

### Narrations:

#### 1 Analysis of Defined Benefit Obligation

The number of members under the scheme have decreased by 1.43%. Similarly the total salary has increased by 2.31% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 9.27%

#### 2 Expected rate of return basis:

Scheme is not funded. EORA is not applicable.

#### 3 Description of Plan Assets and Reimbursement Conditions

Not Applicable

#### 4 Investment/ Interest Risk

Since the scheme is unfunded the Company is not exposed to Investment/ Interest risk.

#### 5 Longevity Risk

The Company is not exposed to risk of employees living longer as the benefit under the scheme ceases on the employees separating from the employer for any reason.

#### 6 Risk of Salary increase

The company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

#### 7 Discount Rate

The Discount rate has decreased from 7.29% to 7.09% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 29. CONTINGENT LIABILITY

1	Workmen's liability of earstwhile, Hindoostan Spinning and Weaving Mills Limited (Refer Foot note 1)	21	21
2	Chief Controlling Revenue Authority (Refer Foot note 2)	4,931	4,931
3	Goods & Services Tax (GST) (Refer Foot note 3)	362	—
4	Maharashtra Real Estate Regulatory Authority		
	Interest - RERA Complaint Nos -198331/2021	NIL	1,078
	Interest - RERA Complaint Nos -198332/2021	NIL	2,240
	Interest - RERA Complaint Nos -198333/2021	NIL	1,213
5	Bank Guarantee : (0544NDDG00053222 Dtd. 03.06.2021)	50	50
6	Legal cases (Refer Foot note 4, 5 6 and 7)	Amount unascertainable	Amount unascertainable

#### Foot note :

- The Hindoostan Spinning and Weaving Mills Limited (HSWML), a body corporate in the year 2002 had declared a Voluntary Retirement Scheme (VRS). The VRS liability, alongwith other assets and liabilities, vide scheme of the Board of Industrial and Financial Reconstruction (BIFR), dated April 1st, 2004 was inherited by the Company, (formerly known as Hoary Realty Limited, Chaitra Realty Limited). Some of the workers didn't accept VRS and insisted on continuation of job. The Company thereupon declared closure. After going through various appellat bodies the matter was referred to the Industrial Tribunal which passed its order confirming closure. A writ petition was filed by the workers Union against the order of Industrial Tribunal. The said dispute is yet to be resolved fully. Liability disclosed herewith is net of Advances paid amounting Rs. 5.17 lakhs.
- Pursuant to the Audit by the office of the Accountant General, Govenment of Maharashtra, The Department of Stamps and Registrations has claimed to a short levy of stamp duty of approximately Rs. 22 crores on the adjudicated and registered Joint Developement Agreement of the company dated December 18th, 2014 with Wadhwa Group Holdings Private Limited. The Company Challenged the above observation before the CCRA and IGR u/s 53-A of the stamp Act, hearing of which was concluded on December 26th, 2017. However no order was passed by the CCRA. Later, in 2019, The Company recieved a notice from the CCRA that, post audit objection, there was a continuing shortfall of stamp duty of approximately ₹ 67 crores, considering which suo moto revision u/s 53-A of the Stamp Act had been initiated against the company. The CCRA has now passed a final Order holding that there is a deficit of stamp duty of ₹ 49 crores. The company has filed Petiton before the Hon'ble Bombay High Court, challenging the jurisdictional authority of the CCRA and IGR to initiate a second revision u/s 53-A of the Stamp Act.
- The Company is contesting demand raised by the GST department u/s.73 for period July-17 to Mar-20. The dispute is pending at the appeallate authority level. Based on the facts of the case, the management is of the opinion that it has a strong case and the stands a high likelihood of succeeding before the appeallate authority. Pending the final decision on the above matter, no adjustment has been made in these standalone financial statements.
- The Company has been made a party in Arbitration proceedings under Section 9 of the Arbitration and Conciliation Act 1996 before the Learned Justice V. Ramasubramanian (Retd), Former Judge, Supreme Court of India, with regards certain disputes that have arosen under the shares Pledge Agreement between certain entities in respect of the Assignment and Sale of pledged shares by a financial institution/ARC. Based on legal advise, management believes that the matter under dispute is not expected to have any material finacial liability on the Company.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

- 5 The Company has been made a party in a Petition filed under Section 9 of the Arbitration Act by a body corporate to seek interim relief against the subsidiary of the Company, Twenty Five Downtown Realty Ltd (Formerly known Joyous Housing Ltd) in respect of debentures issued by the subsidiary for raising finance for the project. The said petition is pending before the Hon'ble Delhi High Court. Further based on legal advise, management believes that the final outcome of the arbitration petition is not expected to have any material impact on the Company.
- 6 A body corporate has filed an Interim application under Section 7 of the Insolvency and Bankruptcy Code, 2016 against the subsidiary of the Company, Twenty Five Downtown Realty Ltd (Formerly known Joyous Housing Ltd) before the National Company Law Tribunal, Mumbai for initiation of corporate insolvency proceedings against the subsidiary company. The proceedings is at admission stage.

### NOTE 30.

In the opinion of The Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loan and Advances continue to have a realizable value of at least the amounts at which they are stated in the balance sheet.

### NOTE 31. RELATED PARTY DISCLOSURE

#### I) List of related parties (as certified and confirmed by the management):

##### A. Subsidiaries

- 1 Twenty Five Downtown Realty Limited (w.e.f. September 4, 2023)

##### B. Holding Company

- 1 Nitant Real Estate Private Limited (From September 29, 2020)

##### C. Enterprises where key management personnel or their relatives exercise significant influence

(Where transactions have taken place)

- 1 Powersoft IT Private Limited
- 2 Buildbyte.Com (INDIA) Private Limited
- 3 Glamorous Properties Private Limited
- 4 Twenty Five South Maintenance Private Limited

Note: Related party relationships are as identified by the Company and relied upon by the Auditor.

##### D. Directors

- 1 Sunil Chandrakant Shah
- 2 Rushank Vyomesh Shah (Whole-time Director till 9th May, 2023)
- 3 Praphul Devram Shinde — Whole-time Director
- 4 Vandana Paresh Dhanki
- 5 Sachin Anant Sawant

# NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## II) Related party transactions and balance as at year end:

(₹ in lakhs)

Particulars	Entities with joint control over the reporting entity	Subsidiaries of entities with joint control over the reporting entity	Other companies
<b>A. Transactions / Related parties</b>			
<b>i. Loans and Advances received \ recovered \ adjusted</b>			
Nitant Real Estate Private Limited	2,896	—	—
	(1,018)	(—)	(—)
<b>ii. Loans and Advances given \ repaid \ recovered \ adjusted</b>			
Nitant Real Estate Private Limited	6,751	—	—
	(4,312)	(—)	(—)
Twenty Five Downtown Realty Limited	—	61,736	—
	(—)	(—)	(—)
Citygold Investment Private Limited Loan	—	—	3,000
	(—)	(—)	(—)
<b>iii. Consultancy, Contracts and server rental charges</b>			
Powersoft IT Private Limited	—	—	293
	(—)	(—)	—
Buildbyte.com (INDIA) Private Limited	—	—	57
	(—)	(—)	(91)
Twenty Five South Maintenance Private Limited	—	—	51
	(—)	(—)	(—)
<b>iv. Interest expense</b>			
Nitant Real Estate Private Limited	97	—	—
	(3,433)	(—)	(—)

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

Particulars	Entities with joint control over the reporting entity	Subsidiaries of entities with joint control over the reporting entity	Other companies
<b>iv. Interest income</b>			
Twenty Five Downtown Realty Limited	—	<b>8,744</b>	—
	(—)	(—)	(—)
Citygold Investment Private Limited Loan	—	—	<b>388</b>
	(—)	(—)	(—)
<b>v. Other Income &amp; Management Fees Received</b>			
Twenty Five South Maintenance Private Limited	—	—	<b>81</b>
	(—)	(—)	(—)
<b>vi. Office Expenses</b>			
Glamorous Properties Private Limited	—	—	<b>9</b>
	(—)	(—)	(6)
<b>vii. Remuneration/Director Sitting Fees</b>			
Anil Ahluwalia	—	—	<b>0.03</b>
	(—)	(—)	(0.83)
Sachin Anant Sawant	—	—	<b>0.40</b>
	(—)	(—)	(—)
Sunil Chandrakant Shah	—	—	<b>7.70</b>
	(—)	(—)	(6.9)
Vandana Paresh Dhanki	—	—	<b>2.80</b>
	(—)	(—)	(3.7)

Note: Figures in brackets are of the previous year.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 32. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

The Company manages market risk through a treasury department which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies which are approved by the senior management. The activities of this department include management of cash resources, borrowing strategies and ensuring compliance with the market risk limits and policies.

#### 1) Market Risk

##### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

##### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate on account of changes in foreign exchange rates. The company does not have any exposure to the risk of changes in foreign exchange rates from its operating activities or investments in foreign companies.

There is no significant purchase of materials of imported materials hence foreign currency risk does not arise.

#### c) Commodity price risk

- The Company is not affected by the price volatility of commodities
- The Company has awarded building construction contracts to its contractors on turnkey basis.

#### 2) Credit Risk

Credit risk is the risk that the customer may not meet its obligation on time as per Agreement to Sales leading to delay in collection. The company is not exposed to credit risk from its trade receivables since the underlying assets is in possession of the company if any default is caused by the customer.

Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved companies and within credit limits assigned to each company. The credit limits of parties to whom loans are granted are reviewed by board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make repayments.

#### 3) Liquidity risk

The company is in stage of construction of buildings. All allowable expenses are inventorised by as per the policy of the company. Liquidity risk is dependent on the market demand for completed flats.

- No derivative instrument were outstanding at the end of the year.
- Uncovered risk in foreign currency transactions are under.

(₹ in lakhs)			
		As at 31st March, 2024	As at 31st March, 2023
Trade payables	USD	43,875	43,875
	INR	37	36

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 33. CAPITAL MANAGEMENT

The primary objective of company's capital management is to ensure that it maintains strong capital ratios in order to support its business and maximise shareholders value. The company's board of directors reviews the capital structure on an annual basis.

The capital structure of the company consists of net debt (borrowings and offset by cash and bank balances) and total equity of the company. The borrowings consist of debentures issued, term loans from financial institutions and loans from companies. Preference shares issued by the company have been considered as debt in calculation of financial ratios, as it is in the nature of debt.

#### Gearing Ratio

The gearing ratio at the reporting period was as follows:

	(₹ in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
Borrowings including current Maturities	3,15,079	1,76,724
Interest accrued and due/and but not due	—	14
<b>Total Debt</b>	<b>3,15,079</b>	<b>1,76,738</b>
Less : Cash and Cash Equivalents	16,523	17,470
<b>Net Debt (A)</b>	<b>2,98,556</b>	<b>1,59,269</b>
Equity Share Capital	5	5
Other Equity	(55,997)	(28,631)
<b>Total Equity (B)</b>	<b>(55,992)</b>	<b>(28,626)</b>
Debt Equity Ratio A/B	(5.33)	(5.56)

### NOTE 34 : CATEGORIES OF FINANCIAL INSTRUMENTS

#### Fair Value measurement

	31st March 2024		31st March 2023	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
<b>Financial Assets</b>				
Loans	—	75,592	—	—
Other financial assets	—	25,637	—	1,414
Cash and cash equivalent	—	16,523	—	17,470
Bank balances other than above	—	—	—	-
<b>Total of Financial Assets</b>	—	<b>1,17,751</b>	—	<b>18,884</b>
<b>Financial Liabilities</b>				
Borrowings	—	3,15,079	—	1,76,724
Trade payables	—	4,453	—	3,976
Other Financial liabilities	—	6,223	—	4,489
<b>Total of Financial Liabilities</b>	—	<b>3,25,755</b>	—	<b>1,85,189</b>



## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE. 35 RATIOS

The ratios for the years ended March 31, 2024 and March 31, 2023 are as follows :

Particulars	Numerator	Denominator	31st March, 2024	31st March, 2023	Variance
			(In Times)	(In Times)	(In Percentage)
Current Ratio	Current Assets	Current Liabilities	2.46	2.42	1.75
Debt – Equity Ratio	Total Net Debt	Shareholder's Equity	(5.33)	(5.56)	(4.16)
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	212.52	413.24	(48.57)
Return on Equity (ROE)	Nt Profits after taxes	Average Shareholder's Equity	0.65	5.57	(88.38)
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	8.38	14.05	(40.34)
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	(0.05)	(0.29)	(82.96)
Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	0.33	0.48	(31.58)
Net Profit Ratio	Net Profit	Net Sales	(0.38)	(0.35)	8.76

### REASONS FOR VAIRANCES

#### Inventory Turnover Ratio

Primarily on account of decrease in the turnover of the Company.

#### Debt Service Coverage Ratio

Primarily on account of increase in earnings before interest and taxes.

#### Return on Equity (ROE)

On account of increase in negative shareholders' funds due to early stage of the project.

#### Trade payables turnover ratio

The variance is primarily due to decrease in expenses and other payables.

#### Return on capital employed (ROCE)

On account of increase in borrowings.

## NOTES TO STANDALONE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 36. OTHER STATUTORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2024 AND 31ST MARCH, 2023:

- i The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii The Company does not have any transaction during the current financial year with companies struck off under Section 248 of the Companies Act, 2013.
- iii The Company does not have any charge or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- iv The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
  - b provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.”
- vi The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - b provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.”
- vii The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961.
- viii The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority or other lender in current financial year, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- ix The Company has complied with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 from the date of their implementation.

### NOTE 37 :

Previous years figures have been regrouped/reclassified/restate wherever necessary, to make them comparable with current year figures in the financial statement.

As per our report of even date

**FOR A R C K & Co.**

Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

**CHIRAG M. HARANIYA**

PARTNER  
Membership No. 146683

Mumbai  
Date: 14th June, 2024

**FOR AND ON BEHALF OF BOARD OF DIRECTORS**

**PRAPHUL SHINDE**  
WHOLE-TIME DIRECTOR  
DIN 03140671

**SACHIN SAWANT**  
DIRECTOR  
DIN 08245090

**PRACHI MANKAME**  
COMPANY SECRETARY

Mumbai  
Date: 14th June, 2024

**ALAKNANDA PURAV**  
CHIEF FINANCIAL OFFICER

## INDEPENDENT AUDITOR'S REPORT

**To The Members of Twenty Five South Realty Limited**

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying Consolidated financial statements of Twenty Five South Realty Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and jointly controlled entities which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group and its associates and joint ventures as at 31 March 2024, and its consolidated loss (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Basis of Opinion

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

### Emphasis of Matters

We invite attention to;

- a) Recognition of expense for ongoing projects which is based upon estimated costs, as per the judgment of the management and have been relied upon by us, these being technical matters.
- b) Note No. 29 of the financial statements of the Holding Company, regarding the reliance placed by the auditor on certification received from the management with regard to the disclosure of contingent liabilities of the company

- c) Note No.30 of the financial statements of the Holding Company, regarding balances that are subject to confirmations, reconciliation and adjustment, if any.
- d) The Holding Company has incurred cash losses during the current financial year as well as the immediately preceding financial year. As per records and information placed before us, on which we have relied, considering the nature of business of the Holding Company and its revenue recognition policy, the cash losses are expected to be temporary in nature and the Holding Company is expected to fully recover all its investment on the fructification of its project.

Our opinion is not qualified in respect of the above matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our audit report.

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

The Holding 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, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total consolidated comprehensive income, consolidated changes in equity and consolidated cash flows of the group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors / management of the companies included in the Group, and its associate companies and joint venture entities covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The Board of Directors are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has an 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 Group'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 Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group's to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

### Other Matters

The accompanying Statement includes unaudited financial results and other unaudited financial information in respect of:

- A subsidiary, whose unaudited financial statements include total assets that amount to ₹ 1,23,715 lakhs as at March 31, 2024, total revenues / other income that amounts to ₹ 4,938 lakhs, and total Expenses that amount to ₹ 834 lakhs, total net profit before tax amounting to ₹ 4,103 lakhs for the year ended on that date, and net cash inflows of ₹ 1571 lakhs for the year ended March 31, 2024, as considered in the Statement, have been reviewed by management;

This unaudited financial result has been approved and furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, is based solely on such unaudited financial result. In our opinion and according to the information and explanations given to us by the Management, these financial results are material to the Group.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;
- c) The Consolidated Financials Statements dealt with by this Report are in agreement with the relevant books of account;
- d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors of the Holding Company and the Subsidiary Company, taken on record by the Board of Directors of the Holding Company and the Subsidiary Company, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary, associate and joint venture entities covered under the Act and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197 (16) of the Act:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Holding Company, its subsidiary, associate and joint venture entities to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - 1. The Consolidated financial statements has disclosed the impact of pending litigations as at 31st March 2024 on its consolidated financial position of its group, its associates and joint ventures;
  - 2. The Holding Company and its subsidiary companies, associate companies and joint venture entities did not have any long-term contract including derivative contracts for which there were any material foreseeable losses; and
  - 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture entities during the year ended 31st March 2024.
  - 4. a) 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 entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded



in writing or otherwise, that the intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or 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 entity, 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 person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and
  - c) Based on the 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.
5. No dividend has been declared or paid during the year by the Holding Company and its subsidiary companies, associate company and joint venture entities.
6. Based on our examination, and based on the other auditor's reports of its subsidiary companies and its jointly controlled entities incorporated in India whose financial statements have been audited under the Act, the Holding Company, its subsidiary companies and its jointly controlled entities incorporated in India have used an accounting software for maintaining their respective books of account for the year ended March 31, 2024 which have a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software, and further, we did not come across any instance of the audit trail feature being tampered with..

**FOR A R C K & Co.**

Firm Registration No.: 138758W

Chartered Accountants

**CHIRAG M. HARANIYA**

Partner

Membership No.: 146683

UDIN: 24146683BKAUXX9082

Place : Mumbai

Date : 14th June 2024



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

**The Annexure referred to in the Independent Auditor's Report to the members of the Company on the Consolidated Financial Statement for the year ended 31 March, 2024**

**Re: Twenty Five South Realty Limited ('the Company')**

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, and based on our audit and on the consideration of report of the respective auditors of the subsidiary companies, and joint ventures incorporated in India, we state that:

xxi. According to the information and explanation given to us, in respect of the following companies incorporated in India and included in the consolidated Ind AS financial statements, the auditor's report including CARO report relating to them has not been issued by their auditors till the date of this audit report:

Sl. No.	Name of Entities	CIN	Subsidiary / associate / joint venture
1.	Twenty Five Downtown Realty Limited (Formerly known as Joyous Housing Limited)	U70100MH1995PLC092856	Subsidiary (w.e.f. September 4th, 2023)

**FOR A R C K & Co.**

Firm Registration No.: 138758W

Chartered Accountants

**CHIRAG M. HARANIYA**

Partner

Membership No.: 146683

UDIN: 24146683BKAUXY9981

Place : Mumbai

Date : 14th June 2024

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Twenty Five South Realty Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies (together referred to as “the Group”), its associate companies and joint venture entities, which are companies incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled entities all incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Holding 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.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Holding 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the Group's, its associate companies and joint ventures companies internal financial controls system over the financial reporting.

### **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 Consolidated 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 Consolidated 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 Group's assets that could have a material effect on the Consolidated financial statements.

### **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.

### **Opinion**

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly venture entities, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to 1 subsidiary company, which is a company incorporated in India, whose financial information is unaudited and whose

efficacy of internal financial controls with reference to Consolidated Financial Statements is based solely on the Management's certification provided to us and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Group is not affected as the financial information of such entities is not material to the Group.

Our opinion is not modified in respect of this matter

**FOR A R C K & Co.**

Firm Registration No.: 138758W

Chartered Accountants

**CHIRAG M. HARANIYA**

Partner

Membership No.: 146683

UDIN: 24146683BKAUXY9981

Place : Mumbai

Date : 14th June 2024

# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in lakhs)			
Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>I ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Property, plant and equipment	3	1,093	426
(b) Capital work-in-progress	3	—	629
(c) Financial assets			
(i) Loans	4	16,172	—
(ii) Other financial assets	5	272	4
(d) Others non-Current tax assets (Net)	6	2,146	2,053
(e) Deferred tax assets (Net)	7	—	2,810
(f) Other non-current assets	8	15	—
<b>Total Non-Current Assets</b>		<b>19,698</b>	<b>5,922</b>
<b>2. Current Assets</b>			
(a) Inventories	9	3,46,638	2,22,372
(b) Financial assets			
(i) Cash and cash equivalents	10	18,097	17,470
(iii) Loans	4	13,855	—
(iii) Other financial assets	5	16,877	1,410
(c) Other Current Assets	8	5,659	4,441
<b>Total Current Assets</b>		<b>4,01,127</b>	<b>2,45,693</b>
<b>TOTAL ASSETS</b>		<b>4,20,825</b>	<b>2,51,615</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity share capital	11	5	5
(b) Other equity	12	(69,157)	(28,631)
<b>Equity attributable to owners of the Company</b>			
(c) Non-controlling interests		10,377	—
<b>Total Equity</b>		<b>(58,775)</b>	<b>(28,626)</b>
<b>2. Liabilities</b>			
<b>(i) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	3,25,776	1,76,294
(ii) Other Financial Liabilities	15	984	905
(b) Provisions	16	149	116
(c) Deferred Tax Liabilities (Net)	7	14,128	—
<b>Total Non-Current Liabilities</b>		<b>3,41,037</b>	<b>1,77,315</b>
<b>(ii) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	—	430
(ii) Trade payables	14		
Due to micro and small enterprises		58	82
Due to others than micro and small enterprises		6,399	3,894
(iii) Other financial liabilities	15	48,876	3,584
(b) Other current liabilities	17	83,212	94,902
(c) Provisions	16	19	33
<b>Total Current Liabilities</b>		<b>1,38,564</b>	<b>1,02,925</b>
<b>Total Liabilities</b>		<b>4,79,600</b>	<b>2,80,241</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,20,825</b>	<b>2,51,615</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR A R C K & Co.  
Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

CHIRAG M. HARANIYA  
PARTNER  
Membership No. 146683

Mumbai  
Date: 14th June, 2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PRAPHUL SHINDE  
WHOLE-TIME DIRECTOR  
DIN 03140671

PRACHI MANKAME  
COMPANY SECRETARY

Mumbai  
Date: 14th June, 2024

SACHIN SAWANT  
DIRECTOR  
DIN 08245090

ALAKNANDA PURAV  
CHIEF FINANCIAL OFFICER

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2024

(₹ in lakhs)			
Particulars	Note No.	Period ended 31st March, 2024	Period ended 31st March, 2023
<b>I Income</b>			
Revenue from Operations	18	73,899	1,20,808
Other Income	19	7,196	607
<b>Total Income</b>		<b>81,095</b>	<b>1,21,415</b>
<b>II Expenses</b>			
Costs of Construction / Development	20	24,696	26,895
Purchases of Stock-in-Trade		2,018	1,829
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	21	3,280	56,383
Employee Benefits Expense	22	1,665	1,203
Finance Costs	23	51,661	55,461
Depreciation and Amortisation Expenses	24	379	83
Other Expenses	25	12,544	21,823
<b>Total Expenses</b>		<b>96,243</b>	<b>1,63,677</b>
<b>III Profit / (Loss) before Tax</b>		<b>(15,148)</b>	<b>(42,261)</b>
<b>IV Tax Expense</b>			
(1) Current Tax		—	—
(2) Deferred tax (charge) / credit		(16,859)	(4)
(3) Excess / (Short) provision for taxation in respect of earlier years		—	142
<b>Total Tax Expenses for the Year</b>		<b>(16,859)</b>	<b>138</b>
<b>V Profit / (Loss) for the Year</b>		<b>(32,007)</b>	<b>(42,123)</b>
<b>VI Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeseasurement of the net defined benefit plans		—	—
<b>VII Total comprehensive income for the year</b>		<b>(32,007)</b>	<b>(42,123)</b>
<b>VIII Earning per equity share of nominal value of ₹ 10/— each</b>			
Basic and Diluted	26	(66,493)	(87,510)

The accompanying notes are an integral part of the financial statements

As per our report of even date

FOR A R C K & Co.  
Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

CHIRAG M. HARANIYA  
PARTNER  
Membership No. 146683

Mumbai  
Date: 14th June, 2024

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ALAKNANDA PURAV  
CHIEF FINANCIAL OFFICER

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

Particulars	Year ended 31st March, 2024	Year ended 31st Marchch, 2023
<b>I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before taxation as per Statement of Profit and Loss	(15,148)	(42,261)
Add / (Less) :		
Finance costs	51,661	1
Depreciation and amortisation	379	83
Interest income	(2,876)	(407)
Loss on foreign currency fluctuation (Net)	0.02	3
Excess provision written back	—	(37)
Sundry Credit balance written back	(201)	(51)
	<u>48,963</u>	<u>(408)</u>
Operating profit/(Loss) before working capital changes	33,815	(42,670)
Add / (Less) :		
(Increase) in inventories	(33,726)	56,473
(Increase) / Decrease in Other Current & Non current Asset	—	18
(Increase) / Decrease in Loans and advances	(23,274)	(2,300)
Increase / (Decrease) in trade and other payables	5,665	(45,419)
Direct taxes paid	(62)	(1,028)
	<u>(51,397)</u>	<u>7,744</u>
Net cash flow from/(used in) operating activities	(17,582)	(34,925)
<b>II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
Inflow / (Outflow) on account of :		
Interest income received	2,244	272
(Increase)/Decrease in loans given	(13,855)	—
Purchase of fixed assets	(411)	(980)
Net cash flow from/(used in) investing activities	<u>(12,022)</u>	<u>(708)</u>
<b>III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES</b>		
Inflow / (Outflow) on account of :		
Proceeds from Long Term Borrowing	90,299	64,902
Repayment of Short Term Borrowing	430	(3,875)
Repayment of Security Deposit	(94)	(6,718)
Finance costs paid	(60,419)	(6,989)
Net cash flow from/(used in) financing activities	<u>30,216</u>	<u>47,320</u>
Net increase/(decrease) in cash and cash equivalents ( I + II + III )	613	11,687
Add: Balance at the beginning of the year	17,484	5,783
Cash and cash equivalents at the end of the year	<u>18,097</u>	<u>17,470</u>
Components of cash and cash equivalents (Refer Note 11)		
Cash on hand	0.8	0.1
Balances with banks		
— in Current accounts	12,462	2,105
— in Deposits with maturity of more than three months	5,635	15,364
	<u>18,097</u>	<u>17,470</u>

The accompanying notes are an integral part of the financial statements

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS- 7) statement of cash flows.

As per our report of even date

FOR A R C K & Co.  
Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

CHIRAG M. HARANIYA  
PARTNER  
Membership No. 146683

Mumbai  
Date: 14th June, 2024

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PRAPHUL SHINDE  
WHOLE-TIME DIRECTOR  
DIN 03140671

PRACHI MANKAME  
COMPANY SECRETARY

Mumbai  
Date: 14th June, 2024

SACHIN SAWANT  
DIRECTOR  
DIN 08245090

ALAKNANDA PURAV  
CHIEF FINANCIAL OFFICER

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Notes	Amount ₹
<b>A. EQUITY SHARE CAPITAL</b>		
As at 01st April, 2022	12	5
Changes in equity share capital		—
As at 31st March, 2023		5
Changes in equity share capital		—
As at 31st March, 2024		5

### B. OTHER EQUITY (Refer Note 13)

	Reserves and Surplus				Non-Controlling Interest	Total
	Securities Premium reserve	Debenture Redemption Reserve	General reserve	Retained Earnings		
Balance at 1st April, 2022	18,663	—	—	(5,170)	—	13,492
Profit / (Loss) for the year	—	—	—	(42,123)	—	(42,123)
Remeasurement of net defined benefit recognised in other comprehensive income	—	—	—	—	—	—
Balance at 31st March, 2023	18,663	—	—	(47,293)	—	(28,631)
Balance at 1st April, 2023	18,663	—	—	(47,293)	—	(28,631)
Profit / (Loss) for the year	—	—	—	(32,007)	1,035	(30,971)
Remeasurement of net defined benefit recognised in other comprehensive income	—	—	—	—	—	—
Adjustment for changes in ownership interests	—	—	—	(7,485)	9,341	1,857
Profit relating to non controlling interest	—	—	—	(1,035)	—	(1,035)
<b>Balance at 31st March, 2024</b>	<b>18,663</b>	<b>—</b>	<b>—</b>	<b>(87,820)</b>	<b>10,377</b>	<b>(58,781)</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**FOR A R C K & Co.**  
Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

**CHIRAG M. HARANIYA**  
PARTNER  
Membership No. 146683

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Date: 14th June, 2024

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CHIEF FINANCIAL OFFICER



## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 1. CORPORATE INFORMATION

#### 1.1 Group Overview

Twenty Five South Realty Limited (the 'Company' or the 'Holding Company'), a public limited company and its subsidiaries (collectively referred to as the 'Group'), its associates and jointly controlled entities is engaged primarily in the business of real estate development. The operations of the Group along with its associates and jointly controlled entities span all aspects of real estate development, from the identification and acquisition of land, to planning, execution, construction and marketing of projects. The Group along with its associates and jointly controlled entities is also engaged in the business of provision of maintenance services which are related to the overall development of real estate business. The Holding Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

- 1.2 The consolidated financial statements for the year ended 31 March 2024 were authorized and approved by the Board of Directors for issue on 14 June 2024.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

#### IA. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

##### (i) Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act, to the extent applicable.

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

##### (ii) Historical Cost Convention

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

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

##### (iii) Current Non-current Classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the group as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the group covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### IB. PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

The financial statements have been prepared on the following basis:

#### i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The acquisition method of accounting is used to account for business combination by the Group.

The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

Non-controlling interests are shown separately in the consolidated balance sheet separately within equity and the Statement of Changes in Equity.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

#### ii) Associates

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

#### iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

##### Joint operations

The Group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the consolidated financial statements under the appropriate headings.

##### Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### iv) **Equity Method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy.

### v) **Change in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in statement profit and loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in OCI in respect of that entity are reclassified to statement profit and loss as if the Group had directly disposed of the related assets and liabilities."

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in OCI are reclassified to statement profit and loss where appropriate.

vi) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.

vii) Notes to the consolidated financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### II SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### a) Judgements

##### *Classification of Property*

The Group determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of the company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the company develops and intends to sell before or on completion of construction.

#### 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 Group 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 changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### i) *Employee Benefit Plans*

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

##### ii) *Estimation of Net Realisable Value for Inventory*

Inventory are stated at the lower of cost and net realisable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to Advance given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

### iii) *Valuation of Investment in/ Loans to Subsidiaries*

The investments are measured at cost / carrying value. The Company has performed valuation for its investments in equity of subsidiaries, associates and JVs for assessing whether there is any impairment. In case of impairment the fair value of investments is determined. Where the fair value of investments in entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried out for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.

### iv) Income tax Provisions are based on Company's judgement of Allowances/Disallowance considering computation of Income.

## III REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

### A. Revenue from Sale of Properties/Development Rights

Revenue from the sale of properties / flats/ commercial premises / units in a project are recognised when the company satisfies performance obligations at a point in time i.e when control is transferred to the customer which is usually on giving soft possession for fitouts or actual possession to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, rebates, price concessions, returns and financing component if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Where the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately in the Statement of profit and Loss Account.

Amount received as Advance from customers on Invoicing / raising demand letters are classified as Contract Liabilities. The company's right to consideration in exchange for goods or services that the company has transferred to the customer are classified as receivables.

In arrangements for sale of units the Company has applied the guidance in IND AS 115, on "Revenue from contracts with customers", by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### B. Revenue from Trading Materials:

Revenue from sale of trading material is recognised when control of promised goods are transferred to the customer.

### C. Revenue from Project Management Services:

Revenue from 'project management services' is recognized only on satisfaction of performance obligation of promised services based on the agreements between the Company and the customer to whom such services are rendered.

### D. Interest and Dividend:

Interest income including income arising on other instruments is recognised on time proportion basis using the effective interest rate method. Dividend income is recognized when the right to receive dividend is established.

### E. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

## IV PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION / AMMORTISATION

- A. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its Property, Plant and Equipment and Investment property and use that carrying value as the deemed cost on the date of transition i.e. 1st April, 2015.
- B. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- C. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.
- D. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant and Machinery (Mivan System)	3
Computer	3
Office Equipments	5
Furniture and Fixture	10
Project office*	4

\* Expenses related to project office specifically relating to the project has amortised over the project completion period which is estimated to be 4 years.

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### V 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. Investments and Financial Assets

##### i. Initial Recognition

Financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### ii. Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

##### a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

##### b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through Other Comprehensive Income (OCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at Fair Value Through Profit & Loss (FVTPL).

##### iii. De-recognition of Financial Assets:

The Company de-recognises 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 risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### i. Equity Instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### ii. Financial Liabilities

##### 1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### 2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

##### — *Financial liabilities at FVTPL*

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at VTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

##### — *Financial liabilities at amortised cost*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss.

##### 3. Derecognition of financial instruments

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.



## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

## VI DERECOGNITION OF FINANCIAL INSTRUMENTS

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## VII IMPAIRMENT

### a. Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### b. Non-financial Assets

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. 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 cost 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.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss.

### i. *Intangible Assets and Property, Plant and Equipment*

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

### ii. *Provisions*

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### VIII TAXATION

#### i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

#### ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

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

#### iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### IX INVENTORIES

All inventories are stated at lower of Cost or Net Realizable Value.

- A. Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.
- B. Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.
- C. Traded goods includes cost of purchases and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- D. Finished properties Valued at lower of cost or net realizable value.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

- E. Inventory value in the statement of profit and loss includes costs incurred upto the completion of the project viz. cost of land / rights, value of floor space index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.
- F. Inventories acquired by way of business combination have been carried at respective fair value.

### X TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### XI TRADE RECEIVABLES

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business.

### XII EMPLOYEE BENEFITS

#### a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

#### b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the Balance Sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

#### c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

#### d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives, etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### XIII BORROWINGS AND BORROWING COSTS

Borrowing are initially recognised at Net off transaction cost incurred and measured at amortised cost. Any difference between the proceeds ( net of transaction costs) and the redemption amount is recognised in statement of profit and loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in the statement of profit and loss as finance cost.

Interests and other borrowing costs calculated as per effective interest rate attributable to qualifying assets are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Profit and Loss Account.

### XIV EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### XV CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

### XVI CASH AND CASH EQUIVALENT

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an 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."

### XVII FOREIGN CURRENCY TRANSACTIONS

All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the statement of profit and loss.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

### XVIII SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of “Real Estate Development”. Thus, as defined in Ind AS 108 “Operating Segments”, the Company’s entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

### XIX PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

	Mivan System (Reckli formliner)	Mivan System	Computers and Laptops	Furniture and Fixtures	Office Equipment	Project office	Vehicle	Total	Capital work-in-progress
<b>Cost or deemed cost</b>									
Balance at 31st March, 2022	485	269	24	132	120	460	—	1,490	—
Additions	182	—	12	7	24	—	125	351	629
Disposals/Disarmment	—	—	—	—	—	—	—	—	—
Transferred to addition	—	—	—	—	—	—	—	—	—
Balance at 31st March, 2023	667	269	36	140	145	460	125	1,841	629
<b>Accumulated depreciation and impairment</b>									
Balance at 31st March, 2023	466	254	14	56	82	460	—	1,332	—
Eliminated on disposal/discardment of assets	—	—	—	—	—	—	—	—	—
Depreciation expense	26	—	9	14	27	—	8	83	—
Balance at 31st March, 2023	491	254	24	70	109	460	8	1,415	—
Carrying amount as at 31st March, 2023	176	15	12	70	36	0	117	426	629

	Mivan System (Reckli formliner)	Mivan System	Computers and Laptops	Furniture and Fixtures	Office Equipment	Project office	Vehicle	Total	Capital work-in-progress
<b>Cost or deemed cost</b>									
Balance at 31st March, 2023	667	269	41	152	152	510	125	2,546	629
Additions	1,064	—	14	—	18	—	57	526	(629)
Disposals/Disarmment	—	—	—	—	—	—	(125)	(125)	—
Transferred to addition	—	—	—	—	—	—	—	—	—
Balance at 31st March, 2024	1,731	269	56	152	170	510	57	2,946	—
<b>Accumulated depreciation and impairment</b>									
Balance at 31st March, 2023	491	254	29	82	113	508	8	1,485	—
Eliminated on disposal/discardment of assets	—	—	—	—	—	—	(10)	(10)	—
Depreciation expense	312	—	8	14	25	—	19	379	—
Balance at 31st March, 2024	803	254	37	96	139	508	16	1,853	—
Carrying amount as at 31st March, 2024	928	15	18	56	31	3	41	1,093	—

#### Footnote:

Fixed Assets under project office being fully amortized

(₹ in lakhs)

#### Ageing for CWIP outstanding as at March 31, 2023 is as follows:

CWIP ageing schedule	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	629	—	—	—	629
Projects temporarily suspended	—	—	—	—	—

#### Ageing for CWIP outstanding as at March 31, 2024 is as follows:

CWIP ageing schedule	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	—	—	—	—	—
Projects temporarily suspended	—	—	—	—	—

# NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
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## NOTE 4. LOANS

### Current

(Unsecured, considered good)

— Loan to related parties (Refer Note 27)	6,855	—
— Other Advances	7,000	—
<b>Total</b>	<b>13,855</b>	<b>—</b>

### Non-Current

Loan to Others

(Unsecured, considered good)

— Loan to related parties (Refer Note 27)	16,172	—
<b>Total</b>	<b>16,172</b>	<b>—</b>

## NOTE 5. OTHER FINANCIAL ASSETS

### Non-current

#### Bank Balances

Deposits with maturity more than twelve months	256	—
Security deposits	16	4
<b>Total</b>	<b>273</b>	<b>4</b>

### Footnote:

Balances with bank in margin money and fixed deposits are kept as security for gurantees / other facilities.

### Current

#### Other Advances and Receivables

— Advances For FSI	15,000	—
Others	1,819	1,263
	<b>16,819</b>	<b>1,263</b>
Interest accrued and due on fixed deposits	57	147
<b>Total</b>	<b>16,876</b>	<b>1,410</b>

## NOTE 6. OTHER NON-CURRENT TAX ASSETS (NET)

Advance Income Tax paid	2,667	2,053
Less: Provision for Tax	(521)	—
<b>Total</b>	<b>2,146</b>	<b>2,053</b>

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
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### NOTE 7. DEFERRED TAX ASSETS (NET)

The following is the analysis of deferred tax asset / (liabilities) presented in the balance sheet

Deferred Tax Asset	—	2,810
Deferred Tax Liability	(14,128)	—
<b>Total</b>	<b>(14,128)</b>	<b>2,810</b>

2023-2024	Opening Balance	Credit/(Charge) in statement of Profit and Loss	Closing Balance
<b>Deferred tax assets / (liabilities) in relation to:</b>			
On account of Others	4,699	11,033	15,732
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis.	10,941	(10,941)	—
On account of Inventory	(12,990)	(17,070)	(30,060)
On account of Brought Forward Losses	—	7	7
Property, plant and equipment	160	33	193
<b>Total</b>	<b>2,810</b>	<b>(16,938)</b>	<b>(14,128)</b>

2022-2023	Opening Balance	Credit/(Charge) in statement of Profit and Loss	Closing Balance
<b>Deferred tax assets / (liabilities) in relation to:</b>			
On account of Others	20	4,679	4,699
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis.	37,645	(26,704)	10,941
On account of Inventory	(35,026)	22,036	(12,990)
Property, plant and equipment	175	(15)	160
<b>Total</b>	<b>2,813</b>	<b>(4)</b>	<b>2,810</b>



# NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
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## NOTE 8. OTHER ASSETS

### Non-Current

Plan Assets Gratuity	15	—
	15	—

### Current

Advance to Suppliers	2,038	1,897
GST input credit receivable	2,811	565
Advances Towards Prospective Investment	—	176
Other Receivables	—	20
— Accrued Interest Receivables	732	—
Less : Provision for Doubtful Advances and Receivables	(10)	—
Other Advances		
— Prepaid Expenses	88	8
— Others	—	1,775
<b>Total</b>	<b>5,659</b>	<b>4,441</b>

## NOTE 9. INVENTORIES

Inventories (lower of cost or net realisable value)

— Stock of material at site	122	80
— Stock in Trade	650	768
— Finished Properties	2,596	58,060
— Incomplete projects	3,43,272	1,63,465
<b>Total</b>	<b>3,46,638</b>	<b>2,22,372</b>

## NOTE 10. CASH AND CASH EQUIVALENTS

Balances with banks:

— in current accounts	12,462	2,105
— in deposit with maturity of more than three months	5,635	15,364
Cash on hand	0.80	0.07
<b>Total</b>	<b>18,097</b>	<b>17,470</b>

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ lakhs)

	As at 31st March, 2024	As at 31st March, 2023
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### NOTE 11. EQUITY SHARE CAPITAL

Equity share capital	5	5
<b>Total</b>	<b>5</b>	<b>5</b>

#### Authorised Share Capital:

95,000 ( PY: 95,000) Ordinary Equity Shares of ₹ 10/- each	9.5	9.5
50,000 (PY: 50,000) Class A Equity Shares of ₹ 10/- each	5	5
5,000 (PY: 5,000) Class B Equity Shares of ₹ 10/- each	0.5	0.5
50,000 (PY : 50,000), 10% Non Cummulative Redeemable Preference Shares of ₹ 10/- each (Refer Note 13 (g))	5	5
<b>Total</b>	<b>20</b>	<b>20</b>

#### Issued and subscribed capital comprises:

##### Ordinary Equity Shares

37,306 ( PY: 37,306) Equity Shares of ₹ 10/- each fully paid up	3.73	3.73
	<b>3.73</b>	<b>3.73</b>

##### Class A Equity Shares

10,200 (PY: 10,200) Equity Shares of ₹ 10/- each full paid up	1.02	1.02
	<b>1.02</b>	<b>1.02</b>

##### Class B Equity Shares

629 (PY: 629) Equity Shares of ₹ 10/- each full paid up	0.06	0.06
	<b>0.06</b>	<b>0.06</b>
<b>Total</b>	<b>4.81</b>	<b>4.81</b>

#### a) Reconciliation of Number of shares outstanding at the beginning and at the end of the year

##### Ordinary Equity Shares

	Number of shares	Number of shares
Balance at 31st March, 2022	37,306	3,73,060
Add / (Less) : Issued / (Bought back) during the year	—	—
Balance at 31st March, 2023	37,306	3,73,060
Add / (Less) : Issued / (Bought back) during the year	—	—
Balance at 31st March, 2024	<b>37,306</b>	<b>3,73,060</b>

##### Class A Equity Shares

Balance at 31st March, 2022	10,200	1,02,000
Add / (Less) : Issued / (Bought back) during the year	—	—
Balance at 31st March, 2023	10,200	1,02,000
Add / (Less) : Issued / (Bought back) during the year	—	—
Balance at 31st March, 2024	<b>10,200</b>	<b>1,02,000</b>

##### Class B Equity Shares

Balance at 31st March, 2022	629	6,290
Add / (Less) : Issued / (Bought back) during the year	—	—
Balance at 31st March, 2023	629	6,290
Add / (Less) : Issued / (Bought back) during the year	—	—
Balance at 31st March, 2024	<b>629</b>	<b>6,290</b>

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**b) Terms / rights attached to Equity Shares:**

- i. The ordinary equity shares have a face value of ₹ 10/- per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- ii. Class A shareholder will have preference to dividend and additional voting rights as per shareholder agreement depending on Certain performance milestones.
- iii. Class B shareholder will have preference to dividend and additional voting rights as per shareholder agreement depending on Certain performance milestones.

**c) Details of shares held by each shareholders holding more than 5% shares**

**i. Equity Share Capital**

	As at 31st Mar, 2024		As at 31st Mar, 2023	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
<b>Ordinary Equity Shares</b>				
Nitant Real Estate Private Limited	22,859	61.27%	22,859	61.27%
Distinctive Realty Private Limited	2,704	7.25%	2,704	7.25%
Amazia Developer Private Limited	11,191	30.00%	11,191	30.00%
<b>Class 'A' Equity Shares</b>				
Amazia Developer Private Limited	10,200	100%	10,200	100%
<b>Class 'B' Equity Shares</b>				
Amazia Developer Private Limited	629	100%	629	100%

**d) Details of Shares held by each promoters**

Name of Shareholders	As at 31st March, 2024		As at 31st March, 2023		Changes in Shareholding (%)
	No. of Shares held	% holding of this class of shares	No. of Shares held	% holding of this class of shares	
<b>Fully paid equity shares</b>					
Nitant Real Estate Private Limited	22,859	61.27%	22,859	61.27%	—
	22,859	61.27%	22,859	61.27%	

(₹ in lakhs)

As at 31st March, 2024 As at 31st March, 2023

### NOTE 12. OTHER EQUITY

**Securities premium reserve**

Balance at the beginning of the year	18,663	18,663
Add / (Less) :	—	—
Premium on account of shares allotted during the year	—	—
<b>Balance at the end of the year</b>	<b>18,663</b>	<b>18,663</b>

**Retained Earnings**

Balance at the beginning of the year	(47,293)	(5,170)
Profit attributable to the owners of the company	(32,007)	(42,123)
Adjustment for changes in ownership interests	(7,485)	—
Profit relating to non controlling interest	(1,035)	—
Balance at the end of the year	(87,820)	(47,293)
<b>Total</b>	<b>(69,157)</b>	<b>(28,631)</b>

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

	(₹ in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>NOTE 13. BORROWINGS</b>		
<b>Non-current</b>		
<b>Secured</b>		
(i) Debentures - Secured		
1,000 (PY : 1,000) (Series A - 8%) Listed, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 8.29 lakhs- each (Refer footnote a)	10	10
3,500 (PY : 3,500) (Series B - 18%) Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹10 lakhs - each (Refer footnote b)	35,000	35,000
12,950 (PY : Nil) (Series C - 18%)Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 8,88,031 - each (Refer footnote b)	1,15,000	—
9,740 (PY : 9,740) Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 9,07,598 - each (Refer footnote c)	88,400	88,400
1,400 (PY : 1,400) Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹ 10 lakhs - each (Refer footnote c)	14,000	14,000
(ii) Redemption Premium		
Premium on redemption of debentures	534	184
Premium on redemption of debentures (Value at Amortised cost adjustment IND AS)	62,135	38,700
(iii) Liability Component of Preference Shares		
1,865 (PY : 1,865) 10% Non Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up (Refer footnote g)	0.19	0.19
(iv) Secured Unlisted NCD		
2500 (PY : Nil) 18% Unlisted, Rated Secured Cumulative, Redeemable non-convertible debentures of the face value of ₹10 lakhs - each (Refer footnote d)	25,000	—
(v) Secured Unlisted OCD		
62 (PY : Nil) Unlisted, Secured, unrated and optionally convertible debentures of the face value of ₹100 lakhs - each (Refer footnote e)	6,200	—
<b>Total</b>	<b>3,46,280</b>	<b>1,76,294</b>
Less: Transferred to Current Maturities	43,584	—
	<b>43,584</b>	<b>—</b>
<b>Total (a)</b>	<b>3,02,696</b>	<b>1,76,294</b>

### Footnotes:

#### a. Senior (Listed) A Series Non Convertible Debentures :

- Senior Debentures A series are Listed carry coupon at the rate of 18%, the debentures are to be redeemed at 20% IRR post tax as on redemption date less coupon payments monthly.
- The debentures are secured against first charge on the 25 South Project.
- The Company has B+ rating for the Debentures.
- Debentures having a residual value of ₹ 10 Lacs are to be redeemed post redemption of Junior (unlisted) Non Convertible Debentures.

# **NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

**b. Senior (Unlisted) Series B and Series C Non Convertible Debentures :**

- i. Senior Debentures B and C series are Unlisted carry a coupon rate of 18% PA, these debentures are to be redeemed at IRR of 20% post tax on the redemption date of 31st December, 2025, less monthly coupon payments.
- ii. The debentures are secured against first charge on the 25 South Project.
- iii. Share investment in Twenty Five Downton Realty Limited are pledged against Series C NCDs.

**c. Junior (Unlisted) Non Convertible Debentures :**

- i. Junior Debentures are Unlisted are to be redeemed at 16.30% IRR on redemption date in three instalments starting from December 2025.
- ii. The debentures are secured against Second charge (pari pasu) on the 25 South Project.

**d. (Unlisted) Non Convertible Debentures :**

- i. Unlisted Non Convertible Debentures carry coupon at the rate of 18%, the debentures are to be redeemed at 20% IRR post tax as on redemption date less coupon payments monthly.
- ii. The debentures are secured against first charge on the 25 Downtown Project.

**e. Optionally Convertible Debentures (OCD) are secured against the 100,000 sq ft area of 25 Downtown Project.**

	(₹ in lakhs)	
	As at 31st March, 2024	As at 31st March, 2023
<b>f. Preference Share Capital</b>		
Nitant Real Estate Private Limited		
No of shares held	1,865	1,865
% holding of this class of shares	100	100
<b>g. Preference Shares</b>		
Balance at 1st April, 2022	1,865	1,865
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
Balance at 31st March, 2023	1,865	1,865
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
<b>Balance at 31st March, 2024</b>	<b>1,865</b>	<b>1,865</b>

**Footnote:**

The preference shares have been classified as a financial liability as per Ind AS 32 and 109. As per Ind AS 32 and 109 if the issuer does not have the unconditional right to avoid cash outflow at the end of the term of preference shares, the instrument is classified as a financial liability. Hence they have been grouped under non-current borrowings.

**Unsecured**

(i) Loans repayable on demand:		
— From Related Party	—	—
— From Companies		
Saisrushti Projects Pvt. Ltd. (ICD)	2,400	—
— Project funding/advances from Shareholders (At no cost of funds) *	8,875	—
— Project funding/advances from Shareholders (At cost of funds)	11,805	—
<b>Total (b)</b>	<b>23,080</b>	<b>—</b>
<b>Total (a+b)</b>	<b>3,25,776</b>	<b>1,76,294</b>

**Current**

**Unsecured**

(i) Loans repayable on demand:		
— From Related Party	—	430
<b>Total</b>	<b>—</b>	<b>430</b>

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 14. TRADE PAYABLES

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade payable</b>					
Due to micro and small enterprises (Refer Footnote)	29	11	17	-	58
Due to others than micro and small enterprises	3,737	1,650	820	192	6,399
<b>Total</b>					<b>6,457</b>

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Trade payable</b>					
Due to micro and small enterprises (Refer Footnote)	64	18	—	0.1	82
Due to others than micro and small enterprises	2,359	993	483	59	3,894
<b>Total</b>					<b>3,976</b>

#### Footnote:

#### Dues to Micro and Small Enterprises :

- The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:
  - The principal amount remaining unpaid to suppliers at the end of the year. - ₹ 58 Lakhs (P.Y. ₹ 82 Lakhs)
  - Interest due remaining unpaid to any supplier at the end of the year. - Nil (P.Y. Nil)
  - The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the payment made to supplier beyond the appointed day during the year.- Nil (P.Y. Nil)
  - The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006. - Nil (P.Y. Nil)
  - The amount of interest accrued and remaining unpaid at the end of each accounting year. - Nil (P.Y. Nil)
  - The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006 - Nil (P.Y. Nil)
- The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act. The overdue principal amounts outstanding to the extent ₹ 58 lakhs (P.Y.-₹ 82 lakhs ) are payable to such vendors at the Balance Sheet date. The interest on overdue amount has not been provided/paid since there are differences insupplier account balances is under reconciliation.

# NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	As at 31st March, 2024	As at 31st March, 2023
--	---------------------------	---------------------------

## NOTE 15. OTHER FINANCIAL LIABILITIES

### Non-current

Interest Accrued & Due on Other Loan-Unsecured	1	—
Retention money payable (Refer footnote)	982	905
<b>Total</b>	<b>984</b>	<b>905</b>

### Footnote:

Contractors Retention Money liability which are due for payment as at 31st March, 2024 are shown under “Other Financials Liabilities” as per Ind AS-32. The management is after opinion that the retention liability is in the nature of guarantee towards performance and does not relate to the credit period given by the contractor. Further, in the opinion of the management, there has not been any authoritative clarification/interpretation with regard to measurement of fair value in respect of above item considering which retention money liability has not been discounted as on 31st March, 2024.

### Current

Current maturities of long-term debts (Refer Note 13)	43,584	—
Interest accrued but not due on borrowings	—	14
Retention money payable	953	543
Security deposits (Refundable)	—	94
Other current financial liabilities- other Payables	52	1,481
Other payables	4,287	1,453
<b>Total</b>	<b>48,876</b>	<b>3,584</b>

## NOTE 16 . PROVISIONS

### Non-current

Employee Benefits		
Provision for Gratuity	109	98
Provision for leave benefit	41	18
<b>Total</b>	<b>149</b>	<b>116</b>

### Current

Employee Benefits		
Provision for Gratuity	1	17
Provision for leave benefit	18	16
<b>Total</b>	<b>19</b>	<b>33</b>

## NOTE 17. OTHER CURRENT LIABILITIES

### Current

Advance from customers	82,701	94,720
Other payables :		
— Statutory dues	390	182
— Employees benefit payables	123	1
<b>Total</b>	<b>83,213</b>	<b>94,902</b>

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Period Ended 31st March, 2024	Period Ended 31st March, 2023
<b>NOTE 18. REVENUE FROM OPERATIONS</b>		
Revenue from Sale of Finished Properties	71,596	1,19,862
Revenue from Sale of trading materials	1,531	847
Other operating revenue :		
Excess Provision written back	80	1
Other operating Income	643	—
Management and Professional Fees Received	39	—
Provision no longer required	—	36
Sundry Credit balance written back	10	51
Royalty Income	—	10
<b>Total</b>	<b>73,899</b>	<b>1,20,808</b>

## NOTE 19. OTHER INCOME

Interest Income:		
Bank fixed deposits	1,017	399
Interest Received on NCD's – CIPL	1,357	—
Interest on Others	501	9
<b>Total (a)</b>	<b>2,876</b>	<b>408</b>
Provision for diminution / Receivable written back	4,314	—
Miscellaneous income	6	200
<b>Total (b)</b>	<b>4,320</b>	<b>200</b>
<b>Total (a + b)</b>	<b>7,196</b>	<b>607</b>

## NOTE 20. COSTS OF CONSTRUCTION / DEVELOPMENT

Construction costs incurred during the year:

Land / rights acquired	—	738
Material and labour costs	21,417	19,357
Approval and consultation expenses	3,150	6,800
Other direct development expenses	129	—
<b>Total</b>	<b>24,696</b>	<b>26,895</b>



## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Period Ended 31st March, 2024	Period Ended 31st March, 2023
<b>NOTE 21. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS</b>		
Opening Inventory :		
Incomplete projects	2,54,005	2,78,273
Finished Properties	58,060	—
Stock in Trade (Trading Material)	768	402
	<u>3,12,832</u>	<u>2,78,675</u>
Closing Inventory :		
Incomplete projects	3,06,307	1,63,385
Finished Properties	2,596	58,060
Stock in Trade (Trading Material)	650	768
Stock of material at site	—	80
	<u>3,09,552</u>	<u>2,22,292</u>
<b>Total</b>	<u><u>3,280</u></u>	<u><u>56,383</u></u>

## NOTE 22. EMPLOYEE BENEFITS EXPENSES

Salaries, bonus, etc.	1,605	1,097
Contribution to provident and other funds	41	94
Staff welfare expenses	17	11
Other fund expenses	2	1
<b>Total</b>	<u><u>1,665</u></u>	<u><u>1,203</u></u>

## NOTE 23. FINANCE COSTS

Interest costs:—		
Interest on Debentures	50,881	45,126
Premium on Redemption of debentures	427	3,199
Stamping & Reg Charges	62	—
Interest on Fixed loans	106	7,031
Other interest expense	104	105
Other borrowing costs	81	—
<b>Total</b>	<u><u>51,661</u></u>	<u><u>55,461</u></u>

## Footnote :

- a. In the line with IND AS-23 'Borrowing Costs,' the borrowing cost of ₹ 34,984 Lakhs (P.Y. ₹ 55,461 lakhs) have been capitalised to Inventory .

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lakhs)

	Period Ended 31st March, 2024	Period Ended 31st March, 2023
--	----------------------------------	----------------------------------

### NOTE 24. DEPRECIATION AND AMORTISATION EXPENSES

Depreciation of property, plant and equipment	379	83
<b>Total</b>	<b>379</b>	<b>83</b>

### NOTE 25. OTHER EXPENSES

Insurance	78	123
Rent	38	16
Rates and taxes	235	234
Advances and other debit balances written off	16	4
Advertisement expenses	630	1,742
Brokerage	2,399	2,718
Business Promotion Expenses	22	—
Directors' fees and travelling expenses	45	12
Electricity Expenses	9	—
Travelling and conveyance	61	22
Repairs and society maintenance charges	403	54
Security Charges	16	—
Legal and professional fees	2,178	9,254
Loss on Sale of Fixed Assets	40	—
Loss on foreign currency fluctuation (Net)	2	3
Water Charges	57	—
Other expenses	6,314	7,641
<b>Total</b>	<b>12,544</b>	<b>21,823</b>

### Auditors Remuneration (included in other expenses)

Audit fees	7	7
Other certification fees	—	—
Limited review fees	1	2
Service tax/GST on above	—	—
<b>Total</b>	<b>8</b>	<b>9</b>

### NOTE 26. EARNINGS PER SHARE (EPS)

#### Earning Per Share has been computed as under:

Profit /(Loss) for the year	(32,007)	(42,123)
Weighted average number of equity shares outstanding	0.48	0.48
Earnings Per Share (₹) - Basic (Fave value of ₹10 per share)	(66,493)	(87,510)
Diluted earning per share is same as basic earning per share.		

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 27. RELATED PARTY DISCLOSURE

#### I) List of related parties (as certified and confirmed by the management):

##### A. Subsidiaries

- 1 Twenty Five Downtown Realty Limited (w.e.f September 4, 2023)

##### B. Holding Company

- 1 Nitant Real Estate Private Limited

##### C. Entities with joint control over the reporting entity

- 1 Chinsha Properties Private Limited (Upto 4th September, 2023)
- 2 DLF Limited (Upto 4th September, 2023)

##### D. Enterprises where key management personnel or their relatives exercise significant influence

(Where transactions have taken place)

- 1 Shapoorji Pallonji & Co. Private Limited
- 2 Pallonji Shapoorji & Co. Private Limited
- 3 DLF Luxury Homes Limited
- 4 DLF Utilities Limited
- 5 Citygold Management Services Private Limited
- 6 Relationship Properties Private Limited
- 7 Sunny View Estates Private Limited
- 8 Galina Consultancy Private Limited
- 9 Powersoft IT Private Limited
- 10 Buildbyte.Com (INDIA) Private Limited
- 11 Glamorous Properties Private Limited

##### E

- 1 Sunil Chandrakant Shah
- 2 Praphul Devram Shinde - Whole-time Director
- 3 Vandana Paresh Dhanki
- 4 Sachin Anant Sawant
- 5 Bhavya Ajit Shah
- 6 Param Bir Singh
- 7 Shweta Trimukhe
- 8 Monil Pandharinath Thakur
- 9 Vyomesh Mahipatray Shah - Nominee Director
- 10 Khilen Vyomesh Shah - Nominee Director

**Note:** Related party relationships are as identified by the Company and relied upon by the Auditor.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

a. Transactions with Related Parties (Based on shareholding as on 31st March, 2024)				
				(₹ in lakhs)
Sr. No.	Particulars	Co-Venturer	Entities where Control Exists	KMP and Relative of KMP
1	<b>Advances and Funds received /recovered:</b>			
	DLF Limited	25 (—)	— (—)	— (—)
	Nitant Real Estate Private Limited	2,896 (1,018)	— (—)	— (—)
	Citygold Investment Private Limited	— (—)	— (—)	14,278 (—)
2	<b>Loans and Advances given \ repaid \ recovered \ adjusted</b>			
	Nitant Real Estate Private Limited	6,751 (4,312)	— (—)	— (—)
	Citygold Investment Private Limited	— (—)	— (—)	28,000 (—)
	Heet Builders Private Limited	— (—)	— (—)	700 (—)
3	<b>Consultancy and server rental charges</b>			
	Powersoft IT Private Limited	— (—)	— (—)	293 (—)
	Buildbyte.com (INDIA) Private Limited	— (—)	— (—)	57 (91)
	Twenty Five South Maintenance Private Limited	— (—)	— (—)	51 (—)
4	<b>Interest expense</b>			
	Nitant Real Estate Private Limited	97 (3,433)	— (—)	— (—)
5	<b>Interest income</b>			
	Citygold Investment Private Limited Loan	— (—)	— (—)	388 (—)
6	<b>Office Expenses</b>			
	Glamorous Properties Private Limited	— (—)	— (—)	9 (6)
7	<b>Other Income &amp; Management Fees Received</b>			
	Twenty Five South Maintenance Private Limited	— (—)	— (—)	81 (—)
8	<b>Remuneration/Director Sitting Fees</b>			
	Anil Ahluwalia	— (—)	— (—)	0.03 (0.83)
	Sachin Anant Sawant	— (—)	— (—)	0.40 (—)
	Sunil Chandrakant Shah	— (—)	— (—)	7.70 (6.9)
	Vandana Paresh Dhanki	— (—)	— (—)	2.80 (3.7)

# **NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

## **b. Balance outstanding with Related Parties:**

(₹ lakhs)

		As at 31st March, 2024	As at 31st March, 2023
1	<b>Payable to Shareholder's (At no cost funds)*</b>		
	Hubtown Limited	750	—
	DLF Limited	8,125	—
2	<b>Payable to Shareholder's and its related parties (At cost of funds)*</b>		
	Hubtown Limited	178	—
	DLF Limited	10,977	—
	DLF Utilities Limited	650	—
3	<b>Balances payable</b>		
	<b>Holding Company</b>		
	Nitant Real Estate Private Limited	—	430
	<b>Other Companies</b>		
	Powersoft IT Pvt Ltd	29	15
	Glamorous Properties Private Limited	1	1
	Buildbyte.com (INDIA) Private Limited	—	15

\* Including balances related to transactions entered into when these were not related

## **NOTE 28 : CATEGORIES OF FINANCIAL INSTRUMENTS**

### **Fair Value measurement**

	31st March 2024		31st March 2023	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
<b>Financial Assets</b>				
Loans	—	30,027	—	—
Other financial assets	—	17,149	—	1,414
Cash and cash equivalent	—	18,097	—	17,470
Bank balances other than above	—	—	—	—
Total of Financial Assets	—	65,273	—	18,884
<b>Financial Liabilities</b>				
Borrowings	—	3,69,360	—	1,76,294
Trade payables	—	6,457	—	3,976
Other Financial liabilities	—	6,276	—	4,489
Total of Financial Liabilities	—	3,82,093	—	1,84,759

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 29. CONTINGENT LIABILITY

Sr. No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
1	Workmen's liability of earstwhile, Hindoostan Spinning and Weaving Mills Limited (Refer Foot note 1)	21	21
2	Chief Controlling Revenue Authority (Refer Foot note 2)	4,931	4,931
3	Maharashtra Real Estate Regulatory Authority		
	Interest - RERA Complaint Nos -198331/2021	NIL	1,078
	Interest - RERA Complaint Nos -198332/2021	NIL	2,240
	Interest - RERA Complaint Nos -198333/2021	NIL	1,213
4	Bank Guarantee : (0544NDDG00053222 dated June 6th, 2021)	50	—
5	Goods & Services Tax Act, 2017 (GST) (Refer Foot note 3)	1,191	—
6	Other Commitments:		
	Bank guarantee given to "The Municipal Corporation of Grater Mumbai"	50	50
7	Disputes and differences has arisen between the Company and various parties which are pending with Courts / Arbitrators.	Amount unascertainable	Amount unascertainable

#### Foot note :

- The Hindoostan Spinning and Weaving Mills Limited (HSWML), a body corporate in the year 2002 had declared a Voluntary Retirement Scheme (VRS). The VRS liability, alongwith other assets and liabilities, vide scheme of the Board of Industrial and Financial Reconstruction (BIFR), dated 1.4.2004 was inherited by the Holding Company, (formerly known as Hoary Realty Limited, Chaitra Realty Limited). Some of the workers didn't accept VRS and insisted on continuation of job. The Company thereupon declared closure. After going through various appellat bodies the matter was referred to the Industrial Tribunal which passed its order confirming closure. A writ petition was filed by the workers Union against the order of Industrial Tribunal. The said dispute is yet to be resolved fully. Liability disclosed herewith is net of Advances paid amounting Rs. 5.17 lakhs.
- Pursuant to the Audit by the office of the Accountant General, Govenment of Maharashtra, The Department of Stamps and Registrations has claimed to a short levy of stamp duty of approximately Rs. 22 crores on the adjudicated and registered Joint Developement Agreement of the Holding company ("the Holding Company") dated 18th December, 2014 with Wadhwa Group Holdings Private Limited. The Company Challenged the above observation before the CCRA and IGR u/s 53-A of the stamp Act, hearing of which was concluded on 26.12.2017. However no order was passed by the CCRA. Later, in 2019, the Holding Company recieved a notice from the CCRA that, post audit objection, there was a continuing shortfall of stamp duty of approximately ₹ 67 crores, considering which suo moto revision u/s 53-A of the Stamp Act had been initiated against the company. The CCRA has now passed a final Order holding that there is a deficit of stamp duty of ₹ 49 crores. Aggrieved, the company has filed a Petiton before the Hon'ble Bombay High Court, challenging the jurisdictional authority of the CCRA and IGR to initiate a second revision u/s 53-A of the Stamp Act.
- The Group is contesting a demand raised by the GST department u/s. 73 for period July-17 to March-20 & FY 2018-19 of Rs. 3.62 Crore & 8.29 Crores respectively. The dispute is pending at the appeallate authority level. Based on the facts of the case, the management is of the opinion that it has a strong case and the stands a high likelihood of succeeding before the appeallate authority. Pending the final decision on the above matter, no adjustment has been made in these standalone financial statements.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

- 4 The Holding Company is made a party in Arbitration proceedings under Section 9 of the Arbitration and Conciliation Act 1996 before the Learned Justice V. Ramasubramanian (Retd), Former Judge, Supreme Court of India, with regards certain disputes that have arisen under the shares Pledge Agreement between certain entities in respect of the Assignment and Sale of pledged shares by a financial institution/ARC. Based on legal advise, management believes that the matter under dispute is not expected to have any material financial liability on the group.
- 5 The Holding Company is made a party in a Petition under Section 9 of the Arbitration Act by a body corporate to seek interim relief against the one of the subsidiary of the Company, Twenty Five Downtown Realty Ltd (formerly known Joyous Housing Ltd) in respect of debentures issued by the said subsidiary for raising finance for the project. The said petition is pending before the Hon'ble Delhi High Court. Further based on legal advise, management believes that the final outcome of the arbitration petition is not expected to have any material impact on the group.
- 6 A body corporate has filed an Interim application under Section 7 of the Insolvency and Bankruptcy Code, 2016 against the one of the subsidiary Company, Twenty Five Downtown Realty Ltd (formerly known Joyous Housing Ltd) before the National Company Law Tribunal, Mumbai for initiation of corporate insolvency proceedings against the said subsidiary company. The proceedings is at admission stage.

### NOTE 30.

In the opinion of The Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loan and Advances continue to have a realizable value of at least the amounts at which they are stated in the balance sheet.

### NOTE 31 FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board of the Group.

The Group manages market risk through a treasury department which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies which are approved by the senior management. The activities of this department include management of cash resources, borrowing strategies and ensuring compliance with the market risk limits and policies.

#### 1) Market Risk

##### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to company's long term debt obligations with floating interest rates.

##### b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate on account of changes in foreign exchange rates. The company does not have any exposure to the risk of changes in foreign exchange rates from its operating activities or investments in foreign companies.

There is no significant purchase of materials of imported materials hence foreign currency risk does not arise.

##### c) Commodity price risk

The Company is not affected by the price volatility of commodities.

The Company has awarded building construction contracts to its contractors on turnkey basis.

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### 2) CREDIT RISK

Credit risk is the risk that the customer may not meet its obligation on time as per Agreement to Sales leading to delay in collection. The company is not exposed to credit risk from its trade receivables since the underlying assets is in possession of the company if any default is caused by the customer.

Credit risk from balances with banks and inter corporate loans is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved companies and within credit limits assigned to each company. The credit limits of parties to whom loans are granted are reviewed by board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make repayments.

### 3) Liquidity risk

The company is in stage of construction of buildings. All allowable expenses are inventorised by as per the policy of the company. Liquidity risk is dependent on the market demand for completed flats.

- a. No derivative instrument were outstanding at the end of the year.
- b. Uncovered risk in foreign currency transactions are under:

(₹ in lakhs)

		As at 31st March, 2024	As at 31st March, 2023
Trade payables	USD	43,875	43,875
	INR	37	36

## NOTE 32. CAPITAL MANAGEMENT

### (a) Risk management

The Group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares.



## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### Gearing Ratio

The gearing ratio at the reporting period was as follows:

	As at 31st March, 2024	As at 31st March, 2023
Borrowings including current Maturities	6,72,056	3,52,589
Interest accrued and due/and but not due	—	14
<b>Total Debt</b>	<b>6,72,056</b>	<b>3,52,603</b>
Less : Cash and Cash Equivalents	18,097	17,470
<b>Net Debt (A)</b>	<b>6,53,958</b>	<b>3,35,133</b>
Equity Share Capital	5	5
Other Equity	(69,157)	(28,631)
<b>Total Equity (B)</b>	<b>(69,152)</b>	<b>(28,626)</b>
<b>Debt Equity Ratio A/B</b>	<b>(9.46)</b>	<b>(11.71)</b>

### NOTE 33: RESTRUCTURING DURING THE YEAR ENDED 31 MARCH 2024:

#### a) Acquisitions during the year ended 31 March 2024

During the year, pursuant to approval of the Board of Directors of the Holding Company, the Group, on 4th September, 2023, acquired 75% shareholding of Twenty Five Downtown Realty Limited (formerly known as Joyous Housing Limited), a company engaged in the business of real estate development, owning land parcels along with other assets and liabilities.

### NOTE 34: SUBSEQUENT EVENTS TO THE YEAR

The Group's subsidiaries as at 31st March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business..

Name of the Entity	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the Non controlling interest		Principal Activities
		31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	
<b>Name of the Subsidiaries:</b>						
Twenty Five Downtown Realty Limited	India	75%	0%	25%	0%	Real Estate Development

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### Non-Controlling Interest (NCI)

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra group eliminations.

Particulars	31st March, 2024	31st March, 2023
Non-Current Assets	16,460	—
Current Assets	1,07,254	—
Non-Current Liabilities	1,24,841	—
Current Liabilities	2,155	—
<b>Net Assets</b>	<b>(3,281)</b>	—
Net Assets Attributable to NCI	<b>(820)</b>	—
Revenue	—	—
<b>Profit/(Loss) for the Year</b>	<b>4,103</b>	—
Other Comprehensive Income	—	—
	<b>4,103</b>	—
Profit/(Loss) allocated to NCI	<b>1,026</b>	—
Dividend paid to NCI	—	—
OCI allocated to NCI	—	—
Total Comprehensive Income allocated to NCI	<b>1,026</b>	—
Cash Flow From Operating Activities	<b>(8,279)</b>	—
Cash Flow From Investing Activities	<b>(99)</b>	—
Cash Flow From Financing Activities	<b>9,949</b>	—
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,571</b>	—

## NOTES TO CONSOLIDATED THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

### NOTE 35. OTHER STATUTORY INFORMATION FOR THE YEAR ENDED 31ST MARCH 2024 AND 31ST MARCH 2023:

- i The Group does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii The Group does not have any transaction during the current financial year with companies struck off under Section 248 of the Companies Act, 2013.
- iii The Group does not have any charge or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- iv The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v “The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
  - b provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.”
- vi “The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - b provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.”
- vii The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961.
- viii The group has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority or other lender in current financial year, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- ix The group has complied with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 from the date of their implementation.

### NOTE 36 :

Previous years figures have been regrouped/reclassified/restate wherever necessary, to make them comparable with current year figures in the financial statement. This being the first year of Consolidation, previous year figures are taken from the standalone financials of the holding company.

As per our report of even date

**FOR A R C K & Co.**  
Firm Registration No. 1138758W  
CHARTERED ACCOUNTANTS

**CHIRAG M. HARANIYA**  
PARTNER  
Membership No. 146683

Mumbai  
Date: 14th June, 2024

### FOR AND ON BEHALF OF BOARD OF DIRECTORS

**PRAPHUL SHINDE**  
WHOLE-TIME DIRECTOR  
DIN 03140671

**PRACHI MANKAME**  
COMPANY SECRETARY

Mumbai  
Date: 14th June, 2024

**SACHIN SAWANT**  
DIRECTOR  
DIN 08245090

**ALAKNANDA PURAV**  
CHIEF FINANCIAL OFFICER

## TWENTY FIVE SOUTH REALTY LIMITED

**Registered Office:** Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi, Off Veer Savarkar Road, Prabhadevi, Mumbai – 400025.  
CIN-U51100MH1996PLC100876

<b>Folio No.</b>	
<b>No. of shares held</b>	

### ATTENDANCE SLIP

I/We hereby record my/our presence at the **Twenty Eighth Annual General Meeting** of the Company held on Monday, December 30, 2024 at 11:30 a.m at Jolly Conference Room, 4th Floor, IMC Building, IMC Marg, Churchgate, Mumbai - 400020.

<b>NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)</b>	
<b>SIGNATURE OF THE SHAREHOLDER</b>	
<b>NAME OF THE PROXY (IN BLOCK LETTERS)</b>	
<b>SIGNATURE OF PROXY</b>	

**Notes:**

- You are requested to sign and handover this slip at the entrance to the Meeting Venue.
- If you intend to appoint a proxy to attend the Meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.

## TWENTY FIVE SOUTH REALTY LIMITED

**Registered Office:** Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi, Off Veer Savarkar Road, Prabhadevi, Mumbai – 400025.  
CIN-U51100MH1996PLC100876

<b>Folio No.</b>	
<b>No. of shares held</b>	

### FORM OF PROXY

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

I/We ..... of..... in the district of.....  
being a member/members of **TWENTY FIVE SOUTH REALTY LIMITED** hereby appoint .....  
of ..... in the district of ..... or failing him.....  
of ..... in the district of ..... as my/our proxy to vote for me/us on my/our behalf at the  
**Twenty Eighth Annual General Meeting** of the Company to be held on **Monday, December 30, 2024 at 11:30 a.m** at Jolly Conference Room,  
4th Floor, IMC Building, IMC Marg, Churchgate, Mumbai - 400020..and at any adjournment thereof.

Signed this ..... day of ....., 2024.

Affix Re. 1  
Revenue  
Stamp

Signature .....

**N.B.:** This proxy should be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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ROUTE MAP



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*If undelivered please return to:*

**Twenty Five South Realty Limited**

CIN-U51100MH1996PLC100876

*Registered Office:* Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi,  
Off Veer Savarkar Road, Prabhadevi, Mumbai - 400025