**NEXZONE FISCAL SERVICES PRIVATE LIMITED**
**BALANCE SHEET AS AT MARCH 31, 2025**

(₹ in lakhs)

| Particulars | Note | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **1. Non Current Assets** | | | |
| (a) Property, plant and equipment | 2 | 234.92 | 81.43 |
| (b) Investment property | 3 | 150.97 | 150.97 |
| (c) Financial assets | | | |
| (i) Other financial assets | 4 | 186.41 | 204.61 |
| (d) Income tax assets (net) | 5C | - | 12.30 |
| **Total Non-Current Assets (1)** | | **572.30** | **449.31** |
| **2. Current assets** | | | |
| (a) Inventories | 6 | 17,743.29 | 16,294.44 |
| (b) Financial assets | | | |
| (i) Trade receivables | 7 | 1,070.95 | 203.46 |
| (ii) Cash and cash equivalents | 8 | 223.10 | 138.66 |
| (iii) Bank balances other than (ii) above | 9 | 118.37 | - |
| (iii) Loans | 10 | 1.07 | 3.74 |
| (iv) Other financial assets | 11 | 76.43 | 0.86 |
| (c) Other current assets | 12 | 549.91 | 298.54 |
| **Total Current Assets (2)** | | **19,783.12** | **16,939.70** |
| **Total Assets (1+2)** | | **20,355.42** | **17,389.01** |
| **EQUITY AND LIABILITIES** | | | |
| **1. Equity** | | | |
| (a) Share capital | 13 | 10.00 | 10.00 |
| (b) Other equity | 14 | 1,319.16 | 1,193.51 |
| **Total Equity (1)** | | **1,329.16** | **1,203.51** |
| **Liabilities** | | | |
| **2. Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| - Borrowings | 15 | 5,850.87 | 3,195.71 |
| (b) Deferred tax liability (net) | 5D | 18.85 | 37.24 |
| **Total Non-Current Liabilities (2)** | | **5,869.72** | **3,232.95** |
| **3. Current Liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 16 | 7,092.27 | 7,610.14 |
| **(ii) Trade payables** | 17 | | |
| Due to micro and small enterprises | | 47.47 | 14.05 |
| Other than micro and small enterprises | | 420.54 | 266.44 |
| (iii) Other financial liabilities | 18 | 45.02 | 56.56 |
| (b) Provisions | 19 | 2.91 | 0.90 |
| (c) Current tax liabilities (net) | 5C | 48.09 | - |
| (d) Other current liabilities | 19 | 5,500.24 | 5,004.46 |
| **Total Current Liabilities (3)** | | **13,156.54** | **12,952.55** |
| **Total Equity and Liabilities (1+2+3)** | | **20,355.42** | **17,389.01** |
| Material Accounting Policies | 1 | | |
| The accompanying notes are an integral part of the financial statements | 2 to 36 | | |

As per our report attached of even date.

For **PREETI SINGH & CO.**
Chartered Accountants
ICAI Firm Reg No : 134830W

PREETI SINGH & CO. M. No. 149285 ICAI FRN No.134830W Chartered Acc...

**(Preeti Singh)**
**Proprietor**
**Membership No. - 149285**
**Place : Mumbai**
**Date :** 20/05/2025
UDIN: 25149285BMMLSG7408

**For and on behalf of the Board**

**Dwarkanath K. Rao**
**Director**
**(DIN:- 01087834)**

**Samyag M. Shah**
**Director**
**(DIN:- 06884897)**

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2025**

**(₹ in lakhs)**

| Particulars | Note No | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 21 | 5,282.63 | - |
| Other income | 22 | 28.42 | 43.12 |
| **Total Income (A)** | | **5,311.05** | **43.12** |
| **Expenses** | | | |
| Property acquisition, constructions and development expenses | 23 | 6,413.90 | 3,810.86 |
| Changes in inventories of work-in-progress | 24 | (1,448.85) | (3,810.86) |
| Finance costs | 25 | 73.10 | 140.73 |
| Depreciation | 2 | 2.49 | 1.26 |
| Other expenses | 26 | 98.15 | 32.47 |
| **Total Expenses (B)** | | **5,138.79** | **174.46** |
| **Profit before tax (C=A-B)** | | **172.26** | **(131.34)** |
| **Tax Expense:** | | | |
| (1) Current tax | 5A | 65.00 | - |
| (2) Deferred tax | 5A | (18.39) | 17.19 |
| (3) Tax (credit) / charge of earlier year | | - | - |
| **Total Tax Expenses (D)** | | **46.61** | **17.19** |
| **Profit after tax (E=C-D)** | | **125.65** | **(148.53)** |
| **Other Comprehensive Income ('OCI')** | | | |
| **OCI not to be reclassified to profit or loss in subsequent periods:** | | | |
| Remeasurement gains / (losses) on defined benefit plans | | - | - |
| Income tax effect | | - | - |
| **Total Other Comprehensive Income (F)** | | - | - |
| **Total Comprehensive Income for the year (G=E+F)** | | 125.65 | (148.53) |
| Earning per equity share | | | |
| [Nominal value per share Rs, 10 : previous year Rs. 10] | | | |
| Basic and Diluted | 27 | 125.65 | (276.89) |

As per our report attached of even date.

For **PREETI SINGH & CO.**
Chartered Accountants
ICAI Firm Reg No : 134830W

**(Preeti Singh)**
**Proprietor**
**Membership No. - 149285**
**Place : Mumbai**
**Date :** 20/05/2025
UDIN: 25149285BMMLSG7408

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 134830W Chartered Accountants

**For and on behalf of the Board**

**Dwarkanath K. Rao**
**Director**
**(DIN:- 01087834)**

**Samyag M. Shah**
**Director**
**(DIN:- 06884897)**

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025**

(₹ in lakhs)

| | Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| [A] | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | **Net profit before tax** | **172.26** | **(131.34)** |
| | Adjustments to reconcile profit before tax to net cash flow: | | |
| | - Interest Expenses | 1,356.86 | 983.30 |
| | - Other borrowing cost related to preference shares | 70.70 | 133.37 |
| | - Depreciation | 10.78 | 3.56 |
| | - Interest Income | (6.52) | (4.97) |
| | **OPERATING CASH PROFIT BEFORE WORKING CAPITAL CHANGES** | **1,604.08** | **983.92** |
| | **ADJUSTMENTS FOR:** | | |
| | - (Increase)/ Decrease in Inventories | (1,448.85) | (3,810.86) |
| | - (Increase) / Decrease in Trade Receivables | (867.49) | (182.40) |
| | - (Increase) / Decrease in Other Current and Non-Current assets | (325.99) | (187.65) |
| | - Increase / (Decrease) in Trade Payables | 187.52 | (422.90) |
| | - Increase / ( Decrease) in Other Current liabilities and Other Financial Liabilities | 503.27 | 3,361.91 |
| | - Increase / (Decrease) in Short term provision | 2.01 | 0.90 |
| | **Cash Generated From Operations** | **(345.45)** | **(257.08)** |
| | **Taxes paid** | (4.61) | (10.61) |
| | **NET CASH INFLOW FROM OPERATING ACTIVITIES** | **(350.06)** | **(267.69)** |
| [B] | **CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | - Procurement of property, plant and equipment | (164.27) | (70.74) |
| | - Interest Received | 6.39 | 4.80 |
| | - Increase in Short term Loans and advances | 2.67 | (1.38) |
| | - Investment in fixed deposits | (126.00) | (10.00) |
| | **NET CASH OUTFLOW FROM INVESTING ACTIVITIES** | **(281.21)** | **(77.32)** |
| [C] | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | - Increase/(Decrease) in Long Term Borrowings | 2,599.40 | 1,326.43 |
| | - Increase / ( Decrease) in Short Term Borrowings | (532.81) | (1,015.01) |
| | - Interest Expense on Borrowings | (1,375.89) | (966.17) |
| | - Issue of Equity Shares | - | 1,080.00 |
| | **NET CASH OUTFLOW FROM FINANCING ACTIVITIES** | **690.70** | **425.25** |
| | Net increase in cash and cash equivalents | 59.43 | 80.24 |
| | Add : Balance at the beginning of the year | 138.66 | 58.42 |
| | Cash and cash equivalents as at the close of the year | **198.09** | **138.66** |
| | **Note : Cash and Cash Equivalents Includes ;** | **198.09** | **138.66** |
| | Cash in hand | - | - |
| | Balances with scheduled banks: | | |
| | - In Current Accounts | 198.09 | 138.66 |

**DISCLOSURE AS REQUIRED BY IND AS 7**

**Reconciliation of liabilities arising from financing activities**

(Rs. in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **Borrowings** | | |
| **Opening Balance** | 8,534.68 | 8,223.26 |
| Cashflow (outflow)/inflow | 2,121.69 | 389.50 |
| Fair Value Changes | (55.10) | (78.08) |
| **Closing Balance** | 10,601.27 | 8,534.68 |

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 134830W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025**

**Explanatory notes to Statements of Cash Flows:**

1. The amount of undrawn Borrowing Facility (project term loan from Motilal Oswal Home Finance Limited & Arka Fincap Limited) is ₹ 3,750.00 Lakhs (March 31, 2024 - Rs. 6,000 lakhs), that will be available for future operating activities and settle the capital commitments.
2. - Previous year's figures have been regrouped /reclassified wherever necessary to corresponds with the current year's classification
3. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (IND AS) 7 - "Statement of Cash Flows"
4. In Part A of the Cash Flow Statement, figures in brackets indicate deduction made from the net profit for deriving the net cash flow from operating activities. In Part B and Part C, figures in brackets indicate cash outflows.

As per our report attached of even date.

For **PREETI SINGH & CO.**
Chartered Accountants
ICAI Firm Reg No : 134830W

**(Preeti Singh)**
**Proprietor**
**Membership No. - 149285**
**Place : Mumbai**
**Date :** 20/05/2025

**For and on behalf of the Board**

**Dwarkanath K. Rao**
**Director**
**(DIN:- 01087834)**

**Samyag M. Shah**
**Director**
**(DIN:- 06884897)**

PREETI SINGH & CO. M. No. 149285 ICAI FRN No 134830W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**
**Statement of changes in equity for the year ended March 31, 2025**
**(₹ in lakhs except shares data)**

**A . Equity Share Capital**
**(Refer Note No 13)**

| Particular | March 31, 2025 | | March 31, 2024 | |
|---|---|---|---|---|
| | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs |
| **PAID UP SHARE CAPITAL** | | | | |
| **Balance at the beginning of the year** | **1,00,000** | **10.00** | **10,000** | **1.00** |
| Issue of equity shares during the year | - | - | 90,000 | 9.00 |
| **Balance at the year ended March 31, 2025** | **1,00,000** | **10.00** | **1,00,000** | **10.00** |

**B. Other Equity**
**(Refer Note No 14)**

| Particular | Reserve & Surplus | | | Total |
|---|---|---|---|---|
| | Retained earnings | Recognition of equity Component of preference shares | Securities Premium | |
| **As at April 1, 2023** | **(41.19)** | **312.23** | - | **271.04** |
| Loss for the year | (148.53) | - | - | **(148.53)** |
| Issue fresh equity shares | - | - | 1,071.00 | **1,071.00** |
| **As at March 31, 2024** | **(189.72)** | **312.23** | **1,071.00** | **1,193.51** |
| Profit / (loss) for the year | 125.65 | - | - | **125.65** |
| Issue fresh equity shares | - | - | - | - |
| **As at March 31, 2025** | **(64.07)** | **312.23** | **1,071.00** | **1,319.16** |

**Significant accounting policies** **1**

The accompanying notes are an integral part of the financial statements.

As per our report attached of even date.

For **PREETI SINGH & CO.**
Chartered Accountants
ICAI Firm Reg No : 134830W

**(Preeti Singh)**
**Proprietor**
**Membership No. - 149285**
**Place : Mumbai**
**Date :** 20/05/2025

**For and on behalf of the Board**

**Dwarkanath K. Rao**
**Director**
**(DIN:- 01087834)**

**Samyag M. Shah**
**Director**
**(DIN:- 06884897)**

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 134830W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025**

**Note : 1**

**Company Overview**

Nexzone Fiscal Services Private Limited (the Company) is a subsidiary of Marathon Nextgen Realty Limited holding 90% of the Paid up share capital w.e.f October 7, 2023. The Company was incorporated on 02nd June, 2008, and is primarily engaged in the business of construction, development and sale of Residential real estate Projects. The registered office of the Company is located at 702, Marathon Max, Mulund-Goregaon Link Road, Mulund (West) - 400080

**Material Accounting Policies**

**a Basis Of Preparation Of Financial Statements :**

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

The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. The financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest INR Lakh, except when otherwise indicated

**b Historical Cost Convention**

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value. [Refer Note 14 and Note 15 regarding financial instruments]

**c Operating Cycle**

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed. Accordingly, project related assets & liabilities have been classified into current & non-current based on operating cycle of the respective projects.

**d Functional and Presentation Currency**

These financial statements are presented in Indian rupees, which is also the functional currency of the company.

**e Use of Estimates**

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on the historical experience and other factors, including expectations of future events that may have financial impact on the Company and are believed to be prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialize. Following are the key areas of estimation and judgement

**• Evaluation of Percentage Completion**

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined.

**• Impairment of 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 fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

**• Impairment of Financial Assets**

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

**• Useful life and residual value of Property, Plant and Equipment**

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized

**• Recognition and Measurement of Defined Benefit Obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, expected return on plan assets, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post employment benefit obligations.

**f Property, Plant and Equipment (PPE) & Depreciation**

**• Recognition and Measurement**

Items of PPE are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of PPE comprises:

i. its purchase price, including import duties and non refundable purchase taxes, after deducting trade discounts and rebates.

ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by Management, are recognised in Statement of Profit and Loss. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**• Subsequent Expenditure**

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss in the year of disposal.

**• Depreciation**

Depreciation is provided from the date the assets are ready to be put to use, on straight line method as per the useful life of the tangible assets as prescribed under Part C of Schedule II of The Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation is calculated on a pro rata basis from the date of installation / acquisition till the date the assets are sold or disposed. Depreciable amount for assets is the cost of an asset or amount substituted for cost, less its estimated residual value

**g Financial Instruments**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Financial Assets**

**- Initial recognition and measurement**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial assets.

**- Subsequent measurement**

Financial assets at amortised cost For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Derivatives and equity instruments at Fair Value Through Profit or Loss ('FVTPL')
- Equity instruments measured at FVTOCI

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 134010W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost using the effective interest rate ('EIR') method if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI') on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**Equity investments**

All equity investments are measured at fair value. Equity instruments which are held for trading are classified as at Fair Value Through Profit & Loss (FVTPL). For all other equity instruments, the Company decides to classify the same either as at Fair Value Through Other Comprehensive Income (FVTOCI) or FVTPL. The Company makes such selection on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of such investments. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial asset measured at amortised cost
- Financial asset measured at fair value through other comprehensive income

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

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

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, considering historical trend, industry practices and the business environment in which the Company operates or any other appropriate basis.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

**Financial liabilities**

**Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost or at fair value through profit or loss.

**Initial recognition and measurement**

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.

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 133872W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**Subsequent Measurement**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

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. Any difference between proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss

**h Inventories :**

Inventories comprise of:

(i) Finished Realty Stock representing unsold premises in completed projects

(ii) Realty Work in Progress representing properties under construction / development. Inventories are valued at lower of cost and net realisable value.

Cost of Realty construction / development is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the period and the balance cost is carried over under Inventory as part of either Realty Work in Progress or Finished Realty Stock. Cost of Realty construction / development includes all costs directly related to the Project (including finance cost attributable to the project) and other expenditure as identified by the Management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries / receipts) up to the date of receipt of Occupation Certificate of Project from the relevant authorities.

Construction Work in Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company.

**i Revenue Recognition :**

**i Revenue From Contract with Customers :-**

The company undertakes the business of construction of residential properties.

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The Company has applied the following accounting policy for revenue recognition:

Revenue from contract with customer is recognised, on execution of agreement when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). An asset created by the Company's performance does not have an alternate use and as per the terms of the contract, the Company has an enforceable right to payment for performance completed till date. Hence the Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time. The Company recognises revenue at the transaction price which is determined on the basis of agreement entered into with the customer. The Company recognises revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

The specific recognition criteria described below must also be met before revenue is recognised.

The Company recognises revenue from contracts with customers for ongoing contracts with customers based on a five step model as set out in Ind AS 115:

The Company Recognised the revenue using cost based input method. Revenue is recognised with respect to stage of completion, which assessed with reference to the proportion of contract cost incurred for work performed to the estimated total cost of completion of contract. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognises revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation

The management reviews and revises its measure of progress periodically and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section above of financial instruments - initial recognition and subsequent measurement.

ii **Interest Income**

Interest income is accounted on accrual basis on a time proportion basis.

**j Taxation :**

**Current Tax**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the tax laws as applicable.

**Deferred Tax**

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised

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

Deferred tax liabilities and assets 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 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

**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

**k Borrowing Cost :**

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the time all the activities necessary to prepare the qualifying asset for its intended use or sale are capitalised.

All other borrowing costs are recognised as an expense in the period which they are incurred.

PREETI SINGH & CO. M. No. 142286 Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025**

l **Cash and cash equivalents :**

Cash and cash equivalent in the balance sheet and cash flow statement 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.

m **Earnings per share :**

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti- dilutive

n **Provisions, Contingent Liabilities and Contingent Assets :**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material) and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

o **Recent Accounting Developments :**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

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NEXZONE FISCAL SERVICES PVT LTD MUMBAI

## 3 INVESTMENT PROPERTY

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Investment Properties (at cost)** | | |
| Land | 150.97 | 150.97 |
| **Total** | **150.97** | **150.97** |

**Fair Value:**

The Company measures investment properties using cost based model. The fair value of investment property is based on the rate published by Government in ready recknor and its measurement is categorised in level 3 fair value hierarchy.

| Particulars | Fair Value as on March 31, 2025 | Fair Value as on March 31, 2024 |
|---|---|---|
| Land | 2,857.21 | 2,857.21 |

**Contractual Obligation:**

The company has contractual liabities towards handover of constrcuted area on ownership basis to land owner. The fair value of contractual obligation is based on the rate published by Government in ready recknor.

| Particulars | Fair Value as on March 31, 2025 | Fair Value as on March 31, 2024 |
|---|---|---|
| Obligation towards land | 683.71 | 683.71 |

## 4 OTHER FINANCIAL ASSETS ( NON-CURRENT)

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **(Unsecured, Considered good;)** | | |
| Security deposit to rehab tenements | 132.94 | 133.89 |
| **Deposits with bank** | | |
| Fixed Deposits with maturity of more than 12 months | 53.47 | 70.72 |
| **Total** | **186.41** | **204.61** |

i. Fixed deposit of Rs. 21.27 lakhs (March 31, 2024 - Rs. 20.25 lakhs) lien marked against bank guarantee issued in favour of Maharashtra Pollution control Board for Rs. 21.00 lakhs (March 31, 2024 - Rs. 20.00 lakhs).

ii. Fixed deposit of Rs. 32.20 lakhs (March 31, 2024 - Rs. 50.47 lakhs) lien marked in favour of Slum Rehabilitation Authority for Rs. 31.86 lakhs (March 31, 2024 - Rs. 49.86 lakhs).

## 5 INCOME TAXES

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| A Income tax expense comprise of the following : | | |
| Current tax | 65.00 | - |
| Deferred tax | (18.39) | 17.19 |
| | **46.61** | **17.19** |

**B The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows :**

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Enacted income tax rate | 25.17% | 25.17% |
| Profit before tax | 172.26 | (131.34) |
| Current tax on profit before tax at enacted rates | 43.35 | - |
| **Tax effect of the amounts not deductible/(taxable) in calculating taxable income** | | |
| Expense/(Reversal) not considered for tax purpose | (15.58) | - |
| Others (net) | 37.22 | - |
| **Total** | **65.00** | **-** |
| **Grand Total (a+b)** | **46.61** | **17.19** |
| **Effective Tax Rate** | **27.06%** | **-13.09%** |

SREETI SINGH & CO. M. No. 149285 ICAI FRN No. 144060W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

NEXZONE FISCAL SERVICES PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025

## 7 TRADE RECEIVABLES

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Unsecured, Considered good** | | |
| Amount due and receivable from customers (Refer Note 28) | 1,070.30 | 188.49 |
| Receivable from related parties (Refer Note 29) | 0.07 | 14.39 |
| Others | 0.58 | 0.58 |
| **Total** | **1,070.95** | 203.46 |

**Trade Receivables ageing as on Mar 31, 2025**

| Particulars | Current but not due | Less than 6 months | 6 months to 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| i. Undisputed Trade Receivables - considered good | - | 982.10 | 46.30 | 41.97 | 0.43 | 0.15 | 1,070.95 |
| ii. Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - | - |
| iii. Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| iv. Disputed Trade Receivables - considered doubtful | - | - | - | - | - | - | - |
| **Total** | - | **982.10** | **46.30** | **41.97** | **0.43** | **0.15** | **1,070.95** |

**Trade Receivables ageing as on Mar 31, 2024**

| Particulars | Current but not due | Less than 6 months | 6 months to 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| i. Undisputed Trade Receivables - considered good | 0.06 | 121.76 | 68.00 | 13.49 | - | 0.15 | 203.46 |
| ii. Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - | - |
| iii. Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| iv. Disputed Trade Receivables - considered doubtful | - | - | - | - | - | - | - |
| **Total** | **0.06** | **121.76** | **68.00** | **13.49** | - | **0.15** | **203.46** |

## 8 CASH & CASH EQUIVALENTS

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Cash and cash equivalents** | | |
| Cash in hand | - | - |
| **Balances with banks** | | |
| - In current accounts | 198.09 | 138.66 |
| - Deposits with original maturity of less than three months | 25.01 | - |
| **Total** | **223.10** | 138.66 |

## 9 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Deposits with Bank** | | |
| Fixed deposits with maturity of less than 12 months* | 118.37 | - |
| **Total** | **118.37** | - |

i. Fixed deposit of Rs. 100.12 lakhs (March 31, 2024 - Rs. Nil) lien marked against two months interest liability of Arka Fincap Limited.

ii. Fixed deposit of Rs. 18.25 lakhs (March 31, 2024 - Rs. Nil) lien marked in favour of Slum Rehabilitation Authority for Rs. 18.00 lakhs (March 31, 2024 - Rs. Nil).

## 10 LOANS (CURRENT)

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Unsecured, Considered good** | | |
| Loan to employees | 1.07 | 3.74 |
| **Total** | **1.07** | 3.74 |

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 134833W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025**

## 11 OTHER FINANCIAL ASSETS (CURRENT)

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Other receivables (Refer note 29) | 76.43 | 0.86 |
| **Total** | **76.43** | **0.86** |

## 12 OTHER CURRENT ASSETS

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Prepaid expenses | 220.66 | 8.96 |
| Advance to suppliers (Refer note 29) | 329.02 | 289.35 |
| Balance with government authorities | 0.23 | 0.23 |
| **Total** | **549.91** | **298.54** |

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 134836W Chartered Accountants

NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

## 13 Share Capital

| Particulars | As At March 31, 2025 | | As At March 31, 2024 | |
|---|---|---|---|---|
| | Number of Shares | ₹ in lakhs | Number of Shares | ₹ in lakhs |
| **SHARE CAPITAL** | | | | |
| **AUTHORISED** | | | | |
| Equity Shares of Rs. 10/- each | 1,00,000 | 10.00 | 1,00,000 | 10.00 |
| 0% Non Cumulative Preference Shares of Rs.100/- each | 25,40,000 | 2,540.00 | 25,40,000 | 2,540.00 |
| **TOTAL** | **26,40,000** | **2,550.00** | **26,40,000** | **2,550.00** |
| **ISSUED, SUBSCRIBED & PAID-UP** | | | | |
| Equity Shares of Rs 10/- each fully paid up | 1,00,000 | 10.00 | 10,000 | 10.00 |
| **TOTAL** | **1,00,000** | **10.00** | **10,000** | **10.00** |

**Note:**

**a. Rights, preferences and restrictions attached to Equity shares:**

The Company has issued and subscribed one class of equity shares having a par value of rupee 10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**b. Rights, preferences and restrictions attached to Preference Shares**

The Company has only one class of 0% Non-Cumulative Preference Share face value of Rs.100/- each. having par value of Rs.100/- per share.These Non Cumulative Preference Shares shall be Redeemable at the option of the Non Cumulative Preference Shares Holder at any time after a period of 5 years from the date of issue of Non Cumulative Preference Shares but before the end of 20 years. Not less than 2 months notice should be provided to the Company, in case of the Redemption option is exercised by the Non Cumulative Preference Share holder.These Non Cumulative Preference Shares shall have a right to vote only on resolution placed before the Company which directly affect the rights attached to his/her preference shares and any resolution for the winding up or for the reduction of the preference share capital and the voting right on a poll shall be in proportion to his share in paid-up preference capital of the Company.

**c. Reconcilialtion of the number of Shares and amount outstanding at the beginning and at the end of the reporting year.**

| Particulars | As At March 31, 2025 | | As At March 31, 2024 | |
|---|---|---|---|---|
| | Number of Shares | ₹ in lakhs | Number of Shares | ₹ in lakhs |
| **Equity shares** | | | | |
| Shares at the beginning of the year | 1,00,000 | 10.00 | 10,000 | 1.00 |
| Shares issued during the year | - | - | 90,000 | 9.00 |
| **Outstanding Shares at the end of the year** | **1,00,000** | **10.00** | **1,00,000** | **10.00** |

**d. The details of shareholders holding more than 5% shares in the company**

| Name of the Shareholder | As At March 31, 2025 | | As At March 31, 2024 | |
|---|---|---|---|---|
| | Number of Shares | % held | Number of Shares | ₹ in lakhs |
| **Equity shares** | | | | |
| Chetan R Shah | 5,000 | 5% | 5,000 | 5% |
| Mayur R Shah | 5,000 | 5% | 5,000 | 5% |
| Marathon Nextgen Realty Limited | 90,000 | 90% | 90,000 | 90% |
| | **1,00,000** | | **1,00,000** | |

**e. Details of promoters shares holding in the Company:**

| Name of the Shareholder | As At March 31, 2025 | | | As At March 31, 2024 | | |
|---|---|---|---|---|---|---|
| | Number of Shares | % of total shares | % change during the year | Number of Shares | % of total shares | % change during the year |
| Chetan R Shah | 5,000 | 5% | 0% | 5,000 | 5% | -45% |
| Mayur R Shah | 5,000 | 5% | 0% | 5,000 | 5% | -45% |
| Marathon Nextgen Realty Limited | 90,000 | 90% | 0% | 90,000 | 90% | 90% |

**f. Information regarding issue of shares in the last five years:**

i) The Company has not issued any shares for consideration other than cash.
ii) The Company has not issued any bonus shares.
iii) The Company has not undertaken any buy-back of shares.

**NEXZONE FISCAL SERVICES PRIVATE LIMITED**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025**

## 14 OTHER EQUITY

(₹ in lakhs)

| | Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| A. | **Retained earnings :** | | |
| | Balance at the beginning of the year | 122.51 | 271.04 |
| | Recognition of equity component of preference shares | - | - |
| | Less: Profi / (loss) for the year | 125.65 | (148.53) |
| | **Balance at the end of the year** | **248.16** | **122.51** |
| B. | **Securities premium :** | | |
| | Balance at the beginning of the year | 1,071.00 | - |
| | Add: Issue of fresh equity shares | - | 1,071.00 |
| | **Balance at the end of the year** | **1,071.00** | **1,071.00** |
| | **Total other equity** | **1,319.16** | **1,193.51** |

**Nature and purpose of reserves**

a. **Retained earnings :**
Retained earnings are the profits that the company has earned till date.

b. **Securities premium**
Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

## 15 BORROWINGS (NON-CURRENT)

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Deferred payment liabilities*** | | |
| **From banks** | | |
| Balance outstanding at year end | 50.02 | 40.14 |
| Less : Current maturities on long term debt (Refer Note 15) | 27.02 | 14.52 |
| | **23.00** | **25.62** |
| **Project Term Loan from NBFC** | | |
| Balance outstanding at year end | 5,326.00 | 3,987.88 |
| Less : Current maturities on long term debt (Refer Note 15) | - | 1,263.90 |
| | **5,326.00** | **2,723.98** |
| **Unsecured :** | | |
| 0% Redeemable Non Cumulative Preference Shares (NCPS) designated as financial liability | 2,341.87 | 2,271.17 |
| Less : Current maturities on redeemable NCPS (Refer Note 15) | 1,840.00 | 1,825.06 |
| | **501.87** | **446.11** |
| **Total** | **5,850.87** | **3,195.71** |

*Deferred payment liabilities

**A. From banks**

1 Equipment loan amounting to Rs. 25.81 Lakhs (March 24, 2024 - Rs. 40.14) is secured by way of hypothecation of construction equipment. Repayable in 35 equal monthly installments starting from December, 2023, Last Installment is due in October, 2026 bearing fixed interest rate of 9.42% p.a.

2 Equipment loan amounting to Rs. 24.21 Lakhs (Previous year - Rs. Nil) is secured by way of hypothecation of construction equipment. Repayable in 35 monthly installments starting from June 6, 2024, Last Installment is due in April, 2027 bearing fixed interest rate of 9.32% p.a.

**B. Project Term Loan from NBFC**

**i.** The company has availed term loan of Rs. 5,000.00 lakhs at floating interest rate from Motilal Oswal Home Finance Limited as construction finance of project. Tenure of term loan is 41 months from the date of 1st disbursement. Term loan repayable in 4 equal quarterly installments starting from the last day of 32nd month from the date of 1st disbursement. Currently this Term Loan is on floating interest rate of 14.50% p.a., and the closing balance thereof as on March 31, 2025 is Rs. 1,102.01 lakhs (March 31, 2024 - Rs. 7.78 Lakhs).

The Term Loan is secured by

(i) first ranking charge on the entire project land, development rights and hypothecation of receivables of the project

(ii) 2nd charge on specified units of futurex having area of 33,598 sf carpet area valuing Rs. 135 crore.

(iii) Personal guarantee to Mr. Chetan R. Shah and Mr. Mayur R. Shah

(iv) Corporate guarantee of Marathon Realty Private Limited ("Corporate Guarantor")

(v) 1st charge on 100% pledge of equity share of borrower

(vi) Demand Promissory Note and post dated cheques

**ii.** During the year, the company paid back Rs. 6,000.00 lakhs in term loan repayments from a refinance from Arka Fincap Limites (balance as of March 31, 2024: Rs. 3,980.10 lakhs). Motilal Oswal Home Finance Limited term loan was used for redemption of non-convertible debenture of Rs. 1,000.00 lakhs from ASK Financial Holdings Private Limited, Rs. 1,000.00 lakhs for reimbursement of promoter equity and remaining towards working capital requirement of the project at floating interest rate of 13.75% p.a. Tenure of term loan was 42 months from the date of 1st disbursement. Term loan repayable in 6 equal quarterly installments starting from the last day of 27th month from the date of 1st disbursement.

The Term Loan is secured by

(i) first ranking charge on the entire project land, development rights and hypothecation of receivables of the project

(ii) Personal guarantee to Mr. Chetan R. Shah and Mr. Mayur R. Shah

(iii) Non disposal undertaking of 100% shares of borrower

(iv) Corporate guarantee of Marathon Realty Private Limited ("Corporate Guarantor")

(v) 2nd charge on Monte Carlo and Plaza project developed by Marathon Realty Private Limited

(vi) Demand Promissory Note and post dated cheques

**iii.** During the year, the company has availed term loan of Rs. 5,000.00 lakhs at floating interest rate from Arka Fincap Limited towards refinancing of existing loan by Motilal Oswal Home Finance Limited Rs. 4,000 lakhs & Rs.1,000 towards construction & Development of project & project related expenses. Tenure of term loan is 48 months from the date of 1st disbursement. Term loan repayable in 11 structured quarterly installments starting from the last day of 12th month from the date of 1st disbursement. Currently this Term Loan is on floating interest rate of 12% p.a. and the closing balance thereof as on March 31, 2025 is Rs.4,223.99 Lakhs (March 31, 2024 - Rs. Nil)

The Term Loan is secured by

(i) Exclusive charge by way of mortgage on all assets (land and building structure(s) thereon), in entire Project 'Neo Valley Kaveri' located in Bhandup

(ii) Exclusive charge by way of hypothecation / charge (in the form and substance acceptable to the Lender), and escrow over 100% receivables (bothe present & future) from the Project 'Neo Valley Kaveri' located in Bhandup

(iii) Personal Guarantee of Mayur Shah & Kaivalya Shah

(iv) Demand Promisory Note from borrower

(v) 2 month's interest to be maintained as a fixed deposit lien marked in favour of the Lender(s)

(vi) UDS for Principal amount and 3-month interest amount

**C. 0% Redeemable Non Cumulative Preference Shares**

The company has issued 0% Non cumulative redeemable preference shares at par and same will be redeemable at par. The details of Non Cumulative Preference shareholders are as follows

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| | Number of Shares | Number of Shares |
| Chetan R Shah | 1,40,000 | 1,40,000 |
| Mayur R Shah | 1,40,000 | 1,40,000 |
| Marathon Nextgen Realty Limited | 22,60,000 | 22,60,000 |
| **Total number of shares** | **25,40,000** | **25,40,000** |

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NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

NEXZONE FISCAL SERVICES PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025

## 16 BORROWINGS (CURRENT)

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Current maturities of long-term debt (Refer Note 14)** | | |
| **- For Banks** | | |
| Equipment Loan | 27.02 | 14.52 |
| **- For Financial Institutions** | | |
| Project term loan | - | 1,263.90 |
| Redeemable Non Cumulative Preference Shares designated as financial liability | 1,840.00 | 1,825.06 |
| Loan from directors | 581.71 | 496.08 |
| Inter corporate Loan | 4,643.54 | 4,010.58 |
| **Total** | **7,092.27** | **7,610.14** |

## 17 TRADE PAYABLE

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Carried at amortised cost** | | |
| Due to Micro and Small enterprises | 47.47 | 14.05 |
| Other than Micro and Small enterprises | 420.54 | 266.44 |
| **Trade Payables** | **468.01** | **280.49** |
| Trade Payables to related parties (Refer Note 29) | 45.62 | 18.53 |
| Trade Payables to Others | 422.39 | 261.96 |
| **Total** | **468.01** | **280.49** |

* To comply with the requirement of The Micro, Small and Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm it whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. Based on the communication received from such suppliers confirming their coverage as such enterprise, the company has recognized them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations and are disclosed in note below.

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | 50.38 | 14.95 |
| - Principal amount outstanding (whether due or not) to micro and small enterprises | 47.47 | 14.05 |
| - Interest due thereon | 2.91 | 0.90 |
| The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006. | - | - |
| The amount of payment made to the supplier beyond the appointed day during the year | - | - |
| Amount of interest due and payable on delayed payments | - | - |
| Amount of interest accrued and remaining unpaid as at year end | 2.91 | 0.90 |

**Trade Payable ageing as on March 31, 2025**

| Particulars | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| i. MSME | 43.92 | 3.55 | - | - | 47.47 |
| ii. Others | 396.58 | 1.72 | 18.89 | 3.35 | 420.54 |
| iii. Disputed dues - MSME | - | - | - | - | - |
| iv. Disputed dues - Others | - | - | - | - | - |
| **Total** | **440.50** | **5.27** | **18.89** | **3.35** | **468.01** |

**Trade Payable ageing as on March 31, 2024**

| Particulars | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| i. MSME | 14.05 | - | - | - | 14.05 |
| ii. Others | 233.05 | 29.40 | 0.90 | 3.09 | 266.44 |
| iii. Disputed dues - MSME | - | - | - | - | - |
| iv. Disputed dues - Others | - | - | - | - | - |
| **Total** | **247.10** | **29.40** | **0.90** | **3.09** | **280.49** |

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NEXZONE FISCAL SERVICES PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025

## 18 OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Interest accrued but not due | 8.72 | 27.75 |
| Employee dues payable | 32.72 | 23.43 |
| Temporary book overdraft | - | 0.80 |
| Other payables | 3.58 | 4.58 |
| **Total** | **45.02** | **56.56** |

## 19 PROVISIONS (CURRENT)

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Others** | | |
| Provision for Expenses | 2.91 | 0.90 |
| **Total** | **2.91** | **0.90** |

## 20 OTHER CURRENT LIABILITIES

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Statutory dues | 115.61 | 93.59 |
| Advance received from customers (Unit Wise) | 5,384.63 | 4,910.87 |
| **Total** | **5,500.24** | **5,004.46** |

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025

## 21 REVENUE FROM OPERATIONS

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Sale of residential properties | 5,282.63 | - |
| **Total** | **5,282.63** | - |

## 22 OTHER INCOME

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Interest income on fixed deposit | 6.06 | 4.15 |
| Interest on income tax refund | 0.02 | 0.01 |
| Interest income on staff loan | 0.44 | 0.81 |
| Income from flat cancellation | 20.63 | 31.94 |
| Other miscellaneous income | 1.27 | 6.21 |
| **Total** | **28.42** | **43.12** |

## 23 PROPERTY ACQUISITION, CONSTRUCTION & DEVELOPMENT EXPENSES

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Construction and development expenses | 2,378.16 | 1,686.51 |
| Approval and government fees | 790.11 | 557.51 |
| Purchase of construction and other materials | 1,888.77 | 583.54 |
| Project finance cost | 1,356.86 | 983.30 |
| **Total** | **6,413.90** | **3,810.86** |

## 24 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Opening work in progress | 16,294.44 | 12,483.58 |
| Less :- Closing work in progress | 17,743.29 | 16,294.44 |
| **Total** | **(1,448.85)** | **(3,810.86)** |

## 25 FINANCE COST

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Interest expenses | 1,356.86 | 983.30 |
| Other borrowing cost related to preference shares | 70.70 | 133.37 |
| Interest on delay payments | 2.40 | 7.36 |
| **Total Finance Cost** | **1,429.96** | **1,124.03** |
| Less :- Finance cost capitalised to inventory | 1,356.86 | 983.30 |
| **Total** | **73.10** | **140.73** |

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025

## 2 PROPERTY, PLANT AND EQUIPMENTS

(₹ in lakhs)

| Particulars | Furniture and Fixtures | Plant and Machinery | Office Equipment | Motor Car | Computer | Total |
|---|---|---|---|---|---|---|
| | | | | | | |
| **Gross block value as at April 1, 2023** | **3.12** | **15.46** | **2.90** | **-** | **1.29** | **22.77** |
| Additions during the year | 3.48 | 56.80 | 0.86 | 9.60 | - | 70.74 |
| Deletions during the year | - | - | - | - | - | - |
| **Gross block value as at March 31, 2024** | **6.60** | **72.26** | **3.76** | **9.60** | **1.29** | **93.51** |
| Additions during the year | 5.00 | 159.01 | 0.26 | - | - | 164.27 |
| Deletions during the year | - | - | - | - | | - |
| **Gross block value as at March 31, 2025** | **11.60** | **231.27** | **4.02** | **9.60** | **1.29** | **257.78** |
| | | | | | | |
| **Accumulated depreciation as at April 1, 2023** | **0.96** | **4.02** | **2.46** | **-** | **1.08** | **8.52** |
| Depreciation for the year | 0.32 | 2.30 | 0.20 | 0.68 | 0.06 | 3.56 |
| Accumulated depreciation on disposals | - | - | - | - | - | - |
| **Accumulated depreciation as at March 31, 2024** | **1.28** | **6.32** | **2.66** | **0.68** | **1.14** | **12.08** |
| Depreciation for the year | 1.08 | 8.29 | 0.24 | 1.14 | 0.03 | 10.78 |
| Accumulated depreciation on disposals | | | | | | - |
| **Accumulated depreciation as at March 31, 2025** | **2.36** | **14.61** | **2.90** | **1.82** | **1.17** | **22.86** |
| | | | | | | |
| **Net block as at March 31, 2024** | **5.32** | **65.94** | **1.10** | **8.92** | **0.15** | **81.43** |
| **Net block as at March 31, 2025** | **9.24** | **216.66** | **1.12** | **7.78** | **0.12** | **234.92** |

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2025

## 26 OTHER EXPENSES

(₹ in lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Rent | 3.81 | 3.81 |
| Office expenses | 9.09 | 6.71 |
| Auditor's remuneration | | |
| - for statutory audit | 0.13 | 0.13 |
| - for tax audit | 0.17 | - |
| - for Certification and other services | 0.25 | - |
| Legal and professional fee | 25.24 | 9.41 |
| Printing and stationery | 1.23 | 0.95 |
| Repair and maintenance | 1.09 | 1.74 |
| Bank charges | 1.32 | 1.51 |
| Rates and taxes | 14.00 | 1.75 |
| Sales brokerage | 23.41 | - |
| Donation | 6.80 | 0.58 |
| Travelling and conveyance | 4.57 | 3.64 |
| Miscellaneous expenses | 7.05 | 2.24 |
| **Total** | **98.15** | **32.47** |

## 27 EARNING PER SHARE

(₹ in lakhs - except equity share and earning per share)

| | Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| I. | **Net profit / (loss) attributable to equity shareholders:** | | |
| | Net profit / (loss) after tax as per statement of profit and loss available for equity shareholders | 125.65 | (148.53) |
| II. | **Number of equity shares** | | |
| | Number of equity shares at the beginning of the year | 1,00,000 | 10,000 |
| | Add:- Shares allotted during the year | - | 90,000 |
| | Number of equity shares at the end of the year | 1,00,000 | 1,00,000 |
| | **Weighted average number of equity shares** | | |
| | a. For basic earnings | 1,00,000 | 53,644 |
| | b. For diluted earnings | 1,00,000 | 53,644 |
| | Face value per Equity Shares | 10 | 10.00 |
| III. | Earnings per equity share (Basic and Diluted) | **125.65** | **(276.89)** |

## 28 Revenue from Contracts with Customers

**(i) Reconciliation of revenue recognised in the Statement of Profit and Loss**
**The following table discloses the reconciliation of amount of revenue recognised :**

(₹ in Lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Revenue from Operations** | | |
| Revenue recognised in the Statement of Profit and Loss | 5,282.63 | - |
| Less: Significant financing component | - | - |
| Add: Customer incentive/benefits. | - | - |
| **Total Revenue as per Contracted Price** | **5,282.63** | - |

**30.(ii) Contract Balances**
The table that provides information about receivables,contract assets and contract liabilities from contract with customers as follows

(₹ in Lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Trade Receivables | 1,070.30 | 188.49 |
| Contract Assets | - | - |
| Contract Liabilities | 5,384.63 | 4,910.87 |

**Changes in Contract Liabilities balances during the Year as follows**

(₹ in Lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| **Contract Liability** | | |
| At the beginning of the Reporting Period | 4,910.87 | 1,573.76 |
| Less: Revenue recognised during the year from balances at the beginning of the year, net off advances received during the year not recognised as revenue | 228.78 | 3,227.38 |
| Refunded due to cancellation of contract | 244.98 | 109.73 |
| **At the end of the reporting period** | **5,384.63** | **4,910.87** |

## 29 RELATED PARTY DISCLOSURES

### i. NAME OF THE RELATED PARTIES AND RELATIONSHIP :

| Name | Relationship |
|---|---|
| Marathon Nextgen Realty Ltd (MNRL) | Holding Company |
| Marathon Realty Private Limited (MRPL) | Ultimate Holding Company |
| Sanvo Resorts Private Limited (SRPL) | Fellow Subsidiary |
| Terrapolis Asset Pvt Ltd (TAPL) | Fellow Subsidiary |
| Dwarkanathkrishnamurthy Rao | Key Management Personnel of Company |
| Samyag M Shah (SmS) | |
| Chetan R Shah (CRS) | Key Management Personnel of Holding Company |
| Chetan R Shah HUF (CRS-HUF) | |
| Kaivalya C Shah (KCS) | |
| Mayur R Shah (MRS) | |
| Parmeet Mayur Shah (PMS) | |
| Matrix Waste Management Private Limited (MXWS) | Entities over which KMP or their relatives excise significant influence (where transactions have happened) |
| Nexzone Land Private Limited (NZLP) | |
| IXOXI Equip Hire LLP (IXELLP) | |
| IXOXI Construction LLP (IXCLLP) | |
| United Enterprises (UE) | |
| Marathon Energen LLP (MELLP) | |
| Nexzone Buildcon LLP (NzBLLP) | |
| Nexzone Energy Utilities LLP (NzENULLP) | |
| Suyog Developers (SuDp) | |
| United Builders (UB) | |

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**ii. Related party transactions during the year:**

(₹ in lakhs)

| Type of Transaction | For the Year ended March 31, 2025 | For the Year ended March 31, 2024 |
|---|---|---|
| | | |
| **Interest Expense** | | |
| Marathon Nextgen Realty Limited | 607.29 | 143.61 |
| Marathon Realty Private Limited | 3.92 | 512.71 |
| Chetan R. Shah | 31.80 | 2.92 |
| Mayur R. Shah | 31.21 | 2.63 |
| Samyag M. Shah | - | 2.63 |
| Terrapolis Assets Private Limited | - | 31.73 |
| | | |
| **Loan taken** | | |
| Marathon Nextgen Realty Limited | 4,890.82 | 5,950.95 |
| Marathon Realty Private Limited | 135.43 | 3,396.93 |
| Chetan R. Shah | - | 260.12 |
| Mayur R. Shah | - | 257.69 |
| Terrapolis Assets Private Limited | - | 500.00 |
| | | |
| **Loan repaid** | | |
| Marathon Nextgen Realty Limited | 4,789.16 | 2,092.00 |
| Marathon Realty Private Limited | 151.86 | 10,499.07 |
| Samyag M. Shah | - | 66.09 |
| Terrapolis Assets Private Limited | - | 528.55 |
| | | |
| **Loan and advance given** | | |
| | | |
| **Loan and advance repaid** | | |
| Samyag M. Shah | 28.93 | - |
| | | |
| **Purchase of Material** | | |
| Marathon Nextgen Realty Limited | - | 2.89 |
| Sanvo Resorts Private Limited | 48.69 | 0.08 |
| Marathon Ener-Gen LLP | 32.25 | - |
| Suyog Developers | 29.95 | 0.99 |
| Terrapolis Assets Private Limited | 0.98 | 1.89 |
| Nexzone Energy Utilities LLP | 4.10 | 0.09 |
| IXOXI Equip Hire LLP | 5.02 | - |
| | | |
| **Purchase of Asset** | | |
| Terrapolis Assets Private Limited | 0.84 | - |
| | | |
| **Sale of Material** | | |
| Marathon Nextgen Realty Limited | - | 0.92 |
| | | |
| **Rent/Hiring Charges** | | |
| Chetan R. Shah | 3.81 | 3.81 |
| | | |
| **Departmental Labor Expenses** | | |
| | | |
| **Reimbursement of Expenses** | | |
| Parmeet Mayur Shah | 4.09 | 34.00 |
| Marathon Energen LLP | 0.03 | 0.03 |
| Marathon Nextgen Realty Limited | 10.34 | 0.76 |
| Marathon Realty Private Limited | 14.83 | - |
| Nexzone Buildcon LLP | 0.11 | - |
| | | |

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**iii. Related party closing balances as on balance sheet date:**

(₹ in lakhs)

| Particulars | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| | | |
| **Borrowings** | | |
| Marathon Nextgen Realty Limited | 4,636.42 | 3,988.20 |
| Marathon Realty Private Limited | 7.12 | 22.38 |
| Chetan R. Shah | 293.58 | 264.96 |
| Mayur R. Shah | 288.14 | 260.05 |
| Samyag M. Shah | - | 28.93 |
| | | |
| **Other Receivables** | | |
| Matrix Waste Management Private Limited | 71.51 | - |
| Nexzone Energy Utilities LLP | 0.40 | - |
| | | |
| **Other Current Assets** | | |
| Marathon Realty Private Limited | - | 7.47 |
| Parmeet Mayur Shah | - | 3.02 |
| Sanvo Resorts Private Limited | 3.70 | - |
| | | |
| **Trade Receivables** | | |
| Sanvo Resorts Private Limited | - | 13.11 |
| Marathon Nextgen Realty Limited | - | 1.21 |
| Marathon Realty Private Limited | 0.07 | 0.07 |
| | | |
| **Trade Payables** | | |
| IXOXI Construction LLP | 2.84 | 2.84 |
| Suyog Developers | 35.34 | - |
| Marathon Nextgen Realty Limited | - | 15.69 |
| Terrapolis Assets Private Limited | 1.51 | - |
| IXOXI Equip Hire LLP | 5.92 | - |

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NEXZONE FISCAL SERVICES PVT. LTD. MUMBAI

## 30 CONTINGENT LIABILITIES

**Bank Gurantee/LC issued by Bank on behalf of company**

i. HDFC Bank Ltd has given bank guarantee of Rs. 21.00 lakhs (March 31, 2024 - Rs. 21.00 lakhs) on behalf of company to Maharashtra Pollution control Board.

ii. HDFC Bank Ltd has given bank guarantee of Rs. 49.86 lakhs (March 31, 2024 - Rs. 49.86 lakhs) on behalf of company to Slum Rehabilitation Authority.

## 31 Segment Reporting

The Company primarily operates in single business and geographical segment of real estate development, hence there is no other reporatble segments.

## 32 Financial Risk Management

The Company's principal financial liabilities comprise of borrowings, trade and other payable. The main purpose of financial liabilities is to manage finance for the Company's operations. The Company has loan and other receivables, trade and other receivable and cash and short term deposits that arise directly from its operations. The Company's activities exposes it to variety of financial risk as follows:

**i** Market Risk
**ii** Credit Risk
**ii** Liquidity Risk

**i Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risks: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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. This is based on the financial assets and financial liabilities held as at March 31, 2025 and March 31, 2024.

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including interest rates.

**a Interest rate risk and sensitivity**

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. The risk is planned to be managed by having a portfolio fixed rate debt. As at 31st March 2025, entire borrowings are at fixed rate except term loan from Motilal Oswal Home Finance Limited. Borrowings issued at variable rates expose the Company to cash flow interest rate risk.

(₹ in Lakhs)

| Interest Rate Sensitivity | Increase / decrease in Basis Points | Effect on profit before tax |
|---|---|---|
| **As at March 31, 2025** | | |
| INR Borrowing | +100 | 53.26 |
| | -100 | (53.26) |
| **As at March 31, 2024** | | |
| INR Borrowing | +100 | 39.88 |
| | -100 | (39.88) |

**b Financial instruments and cash deposits**

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

**c Competition and price risk**

The Company faces competition from local competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**ii Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investment in debt securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company's maximum exposure to credit risk as at 31st March, 2025 and 31st March, 2024 is the carrying value of each class of financial assets.

**a Trade and Other Receivables**

Customer credit risk for realty sales is managed by entering into sale agreements in the case of sale of under-construction flats/premises which stipulate construction milestone based payments and interest clauses in case of delays and also by requiring customers to pay the total agreed sale value before handover of possession of the premises/flats, thereby substantially eliminating the Company's credit risk in this respect. In the case of sale of finished units, sale agreements are executed only upon/against full payment.

**Impairment**

**Expected credit loss assessment for customers as at 31st March 2024 and 31st March 2025:**

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectable in full, based on historical payment behavior and extensive analysis of customer credit risk. In view of the above, the Company believes that no provision is required as per expected credit loss method.

**b Loans**

The loans and advances are in the nature of advances for project in SPVs and hence the risk is minimal. Based on the above factors and historical data, loss on collection of receivables is not material and hence no additional provision was made.

**Expected credit loss assessment of loans as at 31st March 2024 and 31st March 2025:**

Considering the nature of the business, the Company has a policy to provide loans in the nature of project advance to its group entities / related parties for undertaking projects, based on its primary business real estate development through project partners. The loans given to these entities are repayable on demand and there is no past history for any default/delay/irregularity in repayments based on demands made. Moreover, all the group entities to whom loans have been advanced, have substantial potential in the projects to repay the loan based on the valuation of such entities and their activities are controlled and managed by the Company. Accordingly ,on view of such control over operations and underlying security of the project/ assets, these loans are considered adequately secured for repayments. In view of the above, the Company believes that no provision is required to be made using the expected credit loss method.

**iii Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Company's overall risk management programmed focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the treasury department under policies approved by the Board of Directors. The treasury team identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Board lays down principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk and investment of excess liquidity.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

**As at 31st March 2025** (₹ in Lakhs)

| Particulars | Less than 1 year | 1 to 5 years | More than 5 years | Total | Carrying Amount* |
|---|---|---|---|---|---|
| Borrowings | 7,092.27 | 5,850.87 | - | 12,943.14 | 12,943.14 |
| Statutory Dues | 115.61 | - | - | 115.61 | 115.61 |
| Trade payable | 468.01 | - | - | 468.01 | 468.01 |
| Interest accrued but not due | 8.72 | - | - | 8.72 | 8.72 |
| Book overdraft | - | - | - | - | - |
| Employee dues payable | 32.72 | - | - | 32.72 | 32.72 |
| Other payable | 3.58 | - | - | 3.58 | 3.58 |

**As at 31st March 2024** (₹ in Lakhs)

| Particulars | Less than 1 year | 1 to 5 years | More than 5 years | Total | Carrying Amount* |
|---|---|---|---|---|---|
| Borrowings | 7,610.14 | 3,195.71 | - | 10,805.85 | 10,805.85 |
| Statutory Dues | 93.59 | - | - | 93.59 | 93.59 |
| Trade payable | 280.49 | - | - | 280.49 | 280.49 |
| Interest accrued but not due | 27.75 | - | - | 27.75 | 27.75 |
| Book overdraft | 0.80 | - | - | 0.80 | 0.80 |
| Employee dues payable | 23.43 | - | - | 23.43 | 23.43 |
| Other payable | 4.58 | - | - | 4.58 | 4.58 |

* Difference in total outstanding liability and carrying amount is on account reduction of un-amortized borrowing costs from loan balance in view of recognition of Interest Cost on "Effective Interest Rate Method" basis as provided in Ind AS.

## 33 Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2024 and 31st March 2025.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches of the financial covenants of any interest bearing loans and borrowing for reported periods.

For the purpose of the Company's capital management, capital includes issued Equity share capital and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

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## 34 Fair Value of Financial Instruments

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognized in the financial statements.

(₹ in Lakhs)

| Particulars | As at 31st March 2025 | | As at 31st March 2024 | |
|---|---|---|---|---|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| **Financial Asset designated at amortized cost** | | | | |
| Loan | 1.07 | | 3.74 | |
| Trade receivable | 1,070.95 | - | 203.46 | - |
| Cash and bank balances | 223.10 | - | 138.66 | - |
| Bank deposits with maturity of less than 12 months | 118.37 | - | - | - |
| Security deposit | 132.94 | - | 133.89 | - |
| Bank deposit with original maturity of more than 12 months | 53.47 | - | 70.72 | - |
| Other financial assets | 76.43 | - | 0.86 | - |
| | **1,676.33** | - | **551.33** | - |
| **Financial liabilities at amortized cost** | | | | |
| Borrowings | 12,943.14 | - | 10,805.85 | - |
| Statutory Remittances | 115.61 | - | 93.59 | - |
| Trade payable | 468.01 | - | 280.49 | - |
| Interest accrued but not due | 8.72 | | 27.75 | |
| Book overdraft | - | - | 0.80 | - |
| Employee dues payable | 32.72 | - | 23.43 | - |
| Other payable | 3.58 | - | 4.58 | - |
| | **13,571.78** | - | **11,236.49** | - |

**Fair value hierarchy**

The fair value of financial instruments as disclosed above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as under:

Level 1 : Quoted prices for identical instruments in an active market;

Level 2 : Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : Inputs which are not based on observable market data.

Note 1: Carrying amount of financial assets and liabilities other than disclosed above approximate the fair value.

Note 2: Fair value of loans and borrowings approximates the carrying values considering the discount rate which is based on the market rate. The discount rate is equivalent to the Effective Interest Rate of such loans and borrowings. There is no significant change in the market rate for discounting of such loans and borrowings.

PREETI SINGH & CO. M. No. 149285 ICAI FRN No. 134930W Chartered Accountants

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## 35 Additional Regulatory Information

i. Financial Ratios

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2025:

| Particulars | Mar-25 | Mar-24 | Change | Reasons for Variance |
|---|---|---|---|---|
| (a) Current Ratio | 1.50 | 1.31 | 15% | |
| (b) Debt-Equity Ratio | 9.74 | 8.98 | 8% | |
| (c) Debt Service Coverage Ratio | 0.25 | 0.50 | -50% | Due to refinancing of term loan |
| (d) Return on Equity Ratio | 9.92% | -20.13% | -149% | year |
| (e) Inventory turnover ratio | 0.29 | - | 0% | |
| (f) Trade Receivables turnover ratio | 8.29 | - | 0% | |
| (g) Trade payables turnover ratio | 11.66 | 4.83 | 141% | Due to increase in purchases |
| (h) Net capital turnover ratio | 1.00 | - | 0% | |
| (i) Net profit ratio | 2.37% | -344.46% | -101% | Due to increase in profit during the |
| (j) Return on Capital employed | 1.72% | 0.08% | 2099% | Due to increase in profit during the |
| (k) Return on investment | Not applicable | Not applicable | - | |

* **Formulae for computation of ratios are as follows:**

| Particulars | Numerator | Denominator |
|---|---|---|
| (a) Current Ratio | Current Assets | Current Liabilities |
| (b) Debt-Equity Ratio | Total Debt | Total Equity |
| (c) Debt Service Coverage Ratio | Earnings available for debt service | Debt Service |
| (d) Return on Equity Ratio | Profit for the year | Average Total Equity |
| (e) Inventory turnover ratio | Revenue from Operations | Average Inventory |
| (f) Trade Receivables turnover ratio | Revenue from Operations | Average Trade Receivable |
| (g) Trade payables turnover ratio | Purchases and Other Services | Average Trade Payables |
| (h) Net capital turnover ratio | Revenue from Operations | Working Capital |
| (i) Net profit ratio | Profit for the year | Revenue from Operations |
| (j) Return on Capital employed | Earnings before interest and tax | Capital Employed |
| (k) Return on investment | Earnings from invested funds | Average invested funds in Treasury Investments |

ii. Relationship with Struck off Companies
The Company do not have any transactions with companies struck off.

iii. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

iv. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

v. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi. The Company is not classified as wilful defaulter.

vii. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

viii. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix. The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

**36** The Company has maintained proper books of account as prescribed under Section 128(1) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended). The books of accounts are maintained in electronic mode. Back-ups of books of account and other relevant books and papers maintained in electronic mode are kept as per the policy of the Company. The back-up of the accounting systems are kept in a server physically located in India and is done on a daily basis.
The Company is using accounting software/s for maintaining its books of account which has a feature of recording audit trail (edit log) facility at application level and the same has operated throughout the year for all relevant transactions recorded in the software/s. Further there were no instances of audit trail feature being tampered with in respect of these software/(s).

M. No. 402285 ICAI FRN No. 134999W Chartered Accountants

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