



Draft Letter of Offer  
November 08, 2024  
For Eligible Shareholders Only

**ZODIAC VENTURES LIMITED**  
**CIN: L45209MH1981PLC023923**

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai, dated February 19, 1981 with the name Growel Investments Limited. The Company on November 8, 2006 changed its Name from Growel Investments Limited to Money Masters Investment Limited, as issued by Registrar of Companies, Mumbai. Further, The Company on June 29, 2010 changed its name from Money Masters Investment Limited to Zodiac Ventures Limited, as issued by Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is L45209MH1981PLC023923. For further details, refer to the section titled 'about the Company' beginning on Page 70 of this Draft Letter of Offer.

**Registered Office:** 205-C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vile Parle (West), Mumbai, Maharashtra, India, 400049;  
**Contact Details:** 9920598992.; **Contact Person:** Mr. Rustom Deboo, Company Secretary & Compliance Officer;  
**Email-ID:** [info@zodiacventures.in](mailto:info@zodiacventures.in); **Website:** [www.zodiacventures.in](http://www.zodiacventures.in);

**FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY THE PROMOTERS OF THE COMPANY ARE MR. RAMESH VIRJI SHAH, MS. PUSHPA RAMESH SHAH, MR. JIMIT RAMESH SHAH, MS. SUNITA JIMIT SHAH, AND MS. YESHA RAMESH SHAH**

RIGHTS ISSUE OF UP TO [●]\*FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹1.00/- (RUPEE ONE ONLY) ('EQUITY SHARES') EACH AT A PRICE OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●]/- (RUPEES [●] ONLY) PER EQUITY SHARE) ('ISSUE PRICE') ('RIGHT SHARES') FOR AN AMOUNT AGGREGATING UP TO ₹49,75,00,000 (RUPEES FORTY NINE CRORE SEVENTY FIVE LAKH ONLY) ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE SHAREHOLDERS OF ZODIAC VENTURES LIMITED ('COMPANY' OR 'ISSUER') IN THE RATIO OF [●] RIGHTS SHARES FOR EVERY [●] EQUITY SHARES HELD BY SUCH ELIGIBLE SHAREHOLDERS AS ON THE RECORD DATE, [●] ('ISSUE'). THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 180 OF THIS DRAFT LETTER OF OFFER.

\*Assuming full subscription.

**PAYMENT METHOD OF THE ISSUE**

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

**WILFUL DEFAULTERS OR FRAUDULENT BORROWERS**

Neither our Company, nor our Directors, nor our promoter are or have been categorized as wilful defaulters or fraudulent borrowers by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India.

**GENERAL RISK**

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Right Shares have not been recommended or approved by Securities and Exchange Board of India ('SEBI') nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer 'Risk Factors' beginning on Page 28 of this Draft Letter of Offer before investing in the Issue.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The existing Equity Shares are listed on the BSE Limited "BSE" (the "Stock Exchange"). Our Company has received 'in-principle' approval from the BSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letters dated [●]. Our Company will also make an application to the Stock Exchanges to obtain the trading approval for the Rights Entitlements as required under the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/13) dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE.

**REGISTRAR TO THE ISSUE**

Link Intime India Pvt. Ltd.  
Registrar to the Rights Issue  
Address : C-101, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400083  
Contact Details: +91 81081 14949  
E-mail ID/ Investor grievance e-mail: [zodiacventures.rights@linkintime.co.in](mailto:zodiacventures.rights@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)  
Contact Person: Shanti Gopalakrishnan  
SEBI Registration Number: INR000004058

**ISSUE PROGRAMME**

ISSUE OPENING DATE	LAST DATE FOR MARKET RENUNCIATION*	ISSUE CLOSING DATE**
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\*Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

\*\*This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

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## DEFINITIONS

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

This Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to ‘the/our Company’, ‘we’, ‘our’, ‘us’ or similar terms are To Zodiac Ventures Limited as the context requires, and references to ‘you’ are to the Eligible Shareholders and/ or prospective Investors in this Issue.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled ‘*Industry Overview*’, ‘*Statement of Tax Benefits*’, ‘*Financial Information*’, ‘*Outstanding Litigations, Defaults, and Material Developments*’ and ‘*Terms of the Issue*’ on page 64, 59, 82, 170 and 180 respectively, shall have the meaning given to such terms in such sections.

## CONVENTIONAL/ GENERAL TERMS

Term	Description
Zodiac Ventures Limited / the Company/ our Company	Zodiac Ventures Limited, a public limited company incorporated under the provisions of the Companies Act,1956, as amended from time to time
We/ us/ our	Unless the context otherwise indicates or implies, refers to Zodiac Ventures Limited
ASBA	Application Supported by Blocked Amount;
AOA/ Articles of Association	The Articles of Association of Zodiac Ventures Limited, as amended from time to time;
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the SEBI (LODR) Regulations and Section 177 of the Companies Act, 2013;
Audited Financial Statements	The audited financial statements of our Company prepared in accordance with Indian Accounting Standards for the Financial Years ending March 31, 2024;
Auditors/ Statutory Auditors/ Peer Review Auditor	The current statutory auditors of our Company are M/s Pravin Chandak & Associates, Chartered Accountants, with effect from 14 <sup>th</sup> August 2024. The last audited financial statements for F.Y. 2023-24 were audited by M/s. Navin Nishar & Associates., Chartered Accountants;
Board of Directors/ Board	Board of Directors of our Company;
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Mr. Rustom Deboo;

Term	Description
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Mr. Vipul R Khona.
Depositories Act	The Depositories Act, 1996 and amendments thereto;
DP/ Depository Participant	Depository Participant as defined under the Depositories Act;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Zodiac Ventures Limited as on the Record Date;
Equity Shares	Equity shares of the Company having face value of ₹1.00 (Rupee One only);
Independent Director	Independent directors on the Board and eligible to be appointed as an Independent Director under the provisions of the Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled ' <i>Our Management</i> ' beginning on page 77 of this Draft Letter of Offer;
ISIN	International Securities Identification Number being INE945J01027;
Key Management Personnel /KMP	Key management personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer to section titled ' <i>Our Management</i> ' beginning on page 77 of this Draft Letter of Offer;
MOA/ Memorandum of Association	The Memorandum of Association of Zodiac Ventures Limited, as amended from time to time;
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company's Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI (LODR) Regulations and Section 178 of the Companies Act, 2013;
Promoters	Mr. Ramesh Virji Shah, Ms. Pushpa Ramesh Shah, Mr. Jimit Ramesh Shah, Ms. Sunita Jimit Shah, Ms. Yesha Ramesh Shah
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations and as disclosed by our Company in the filings made with the BSE Limited under the SEBI (LODR) Regulations;
Registered Office	205-C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vile Parle (West), Mumbai – 400 049
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as our Company's Stakeholders' Relationship Committee in accordance with Regulation 20 of the SEBI (LODR) Regulations Section 178 of the Companies Act, 2013;
Stock Exchange/ Designated Stock Exchange	BSE Limited( BSE)
Unaudited Limited Review Financial Statements	The unaudited financial statements of our Company for the quarter ending September 30, 2024, prepared in accordance with Indian Accounting Standards.

**ISSUE RELATED TERMS**

<b>Term</b>	<b>Description</b>
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act;
Additional Right Shares	The Right Shares applied or allotted under this Issue in addition to the Rights Entitlement;
Allot/Allotment/Allotted	Unless the context requires, the allotment of Right Shares pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the Application Money lying to the credit of the escrow account(s) and Application amounts by ASBA blocked in the ASBA Account, with respect to successful Investors will be transferred on the Transfer Date in accordance with Section 40 (3) of the Companies Act;
Allotment Advice	Note, advice, or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Right Shares pursuant to this Issue;
Allotment Date	Date on which the Allotment is made pursuant to this Issue;
Allottees	Person(s) who are Allotted Rights Equity Shares pursuant to the Allotment;
Applicant(s)/ Investor(s)	Eligible Shareholder(s) and/or Renouncee(s) who make an application for the Right Shares pursuant to this Issue in terms of the Letter of Offer, including an ASBA Investor;
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Equity Shares at the Issue Price;
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application using the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable at the time of Application ₹[●] (Rupees [●] Only) in respect of the Right Shares applied for in this Issue at the Issue Price;
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by ASBA Investors to make an application authorizing the SCSB to block the Application Money in the ASBA Account maintained with such SCSB;
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Shareholders, as the case may be;
ASBA Applicant	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, all investors (including Renouncees) shall make an application for an Issue only through

Term	Description
/ASBA Investor	ASBA facility;
ASBA Bid	Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011 and the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, and SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
Bankers to the Issue/ Refund Bank	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue, in this case being [●];
Bankers to the Issue Agreement	Agreement dated [●] entered into by and amongst our Company and the Registrar to the Issue, and the Bankers to the Issue for collection of the Application Money from Investors making an application through the ASBA facility, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Investors and providing such other facilities and services as specified in the agreement;
Basis of Allotment	The basis on which the Right Shares will be Allotted to successful Applicants in the Issue, and which is described in the section titled ' <i>Terms of the Issue</i> ' beginning on page 180 of this Draft Letter of Offer;
Common Application Form / CAF	The application form used by Investors to make an application for Allotment under the Issue
Consolidated certificate	The certificate that would be issued for Rights Shares Allotted to each folio in case of Eligible Shareholders who hold Equity Shares in physical form
Controlling Branches /Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Registrar to the Issue and the Stock Exchange, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes;">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes;</a>
Demographic Details	Details of Investors including the Investor's address, name of the Investor's father/ husband, investor status, occupation and bank account details, where applicable;
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , updated from time to time, or at such other website as may be prescribed by SEBI from time to time;
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;

Term	Description
Draft Letter of Offer/ DloF	This draft letter of offer dated November 8,2024, filed with BSE Limited (BSE), in accordance with the SEBI (ICDR) Regulations, for their observations and in-principle approval;
Eligible Equity Shareholders	Existing Equity Shareholders as on the Record Date i.e. [●]. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the ASBA facility;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●];
Issue/ Rights Issue	Rights Issue of up to [●] Equity Shares of our Company for cash at a price of ₹[●] (Rupees [●] Only) per Right Shares aggregating up to ₹49,75,00,000 ( RupeesForty-NineCrore Seventy-Five Lakh only) on a rights basis to the Eligible Shareholders of our Company in the ratio of [●] ([●]) Right Shares for every [●] ([●]) Equity Shares held by the Eligible Shareholders of our Company on the Record Date i.e. [●];  On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
Issue Closing Date	[●]
Issue Material	Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter or any offering materials, corrigendum, or advertisements in connection with this Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/ Investors can submit their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Issue Proceeds	The proceeds of the Issue that are available to our Company;
Issue Size	Amount aggregating up to ₹49,75,00,000 ( RupeesForty-NineCrore Seventy-Five Lakh only)
Letter of Offer/ LoF	The final letter of offer to be filed with the BSE Limited(BSE) after incorporating the observations received from the BSE Limited on the Draft Letter of Offer;
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application;



Term	Description
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please refer to the section titled ' <i>Objects of the Issue</i> ' beginning on page 51 of this Draft Letter of Offer;
Non-ASBA Investor/ Non-ASBA Applicant	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process comprising Eligible Shareholders holding Equity Shares in physical form or who intend to renounce their Rights Entitlement in part or full and Renounees;
Non-Institutional Investors/ NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR) Regulations;
Offer Document	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigendum thereto;
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws;
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchange, from time to time, and other applicable laws, on or before [●];
Payment Schedule	Payment schedule under which [●]% ([●] percent) of the Issue Price is payable on Application, i.e, ₹[●] (Rupees [●] Only) per Right Shares.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Right Shares, being [●];
Refund through electronic transfer of Funds	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as applicable;
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar to the Issue	Link Intime India Pvt. Ltd.
Registrar Agreement	Agreement dated [●] entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue, including in relation to the ASBA facility;
Renounees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date i.e. [●]. Such period shall close on [●] in case of On Market Renunciation. Eligible Shareholders are requested to ensure that

Term	Description
	renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date i.e. [●];
Rights Entitlement (s)/ RES	<p>The number of Right Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●] Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder;</p> <p>The Rights Entitlements with a separate ISIN '[●]' will be credited to your demat account before the date of opening of the Issue, against the Equity Shares held by the Equity Shareholders as on the Record Date, pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date;</p>
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Shareholders. The Rights Entitlements are also accessible through the ASBA and the link for the same will be available on the website of our Company;
Right Shares	Equity Shares of our Company to be Allotted pursuant to this Issue
Self-Certified Syndicate Banks/ SCSB(s)	<p>The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>, as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time;</p>
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment Account, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange;
Wilful Defaulter or Fraudulent Borrower	A Company or person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, including any Company whose director is categorized as such, as defined under Regulation 2 (1) (III) of the SEBI (ICDR) Regulations;
Working Day(s)	In terms of Regulation 2(1) (mmm) of SEBI ICDR Regulations, working day means all days on which commercial banks in Mumbai are open for business. Further, in respect of Issue Period, working day means all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks in Mumbai are open for business. Furthermore, the time period between the Issue Closing Date and the listing of the Right Shares on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI;

**Technical and Industry Related Terms of Real Estate Business**

<b>Term Description</b>	<b>Description</b>
Acre	Equals 43560 Sq. Ft. or 100 Cents
BP	Building Proposal Department
CAGR	Compounded Annual Growth Rate
CC	Commencement Certificate
Developable Area	The total area which we develop in each of our projects, including carpet area, common area, service and storage area, car parking and other open areas on which we may undertake any development
DA	Development Agreement
FSI	Floor Space Index (It is the developable potential of any plot.)
GFC	Global financial Crises
IOA	Intimation of Approval
LA Act.	Land Acquisition Act, 1894
LOI	Letter of Intent
OC	Occupation Certificate
Occupancy Level	The combined Saleable Area of the occupied units of a project as a percentage of the Total Saleable Area of the project available for lease.
Saleable Area	The part of the developable area relating to our economic interest in each property and for which the owner or tenant is obliged to pay or for which we estimate that respective owner or tenant will pay
Sq. Ft.	Square Feet
Sq. metres/Sq. mtr.	Square Meters
Sq. yds	Square Yards

**ABBREVIATIONS**

<b>Term</b>	<b>Description</b>
AIF	Alternative Investment Fund as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012

Term	Description
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAF	Common Application Form
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections)
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate Social Responsibility
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018
Depositories Act	The Depositories Act, 1996, including subsequent amendments thereto
DIN	Director Identification Number
DP	Depository Participant
DP-ID	Depository Participant's Identification
DR	Depository Receipts
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance costs, depreciation, and amortization expense, as presented in the statement of profit and loss
EGM	Extraordinary General Meeting
EEA	European Economic Area
EPC Services	Engineering, Procurement, and Construction services
EPS	Earning per Equity Share
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations made

Term	Description
	thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
FY/ Financial Year	Period of 12 months ended March 31 of that particular year, unless otherwise stated
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GDR	Global Depository Receipt
GNPA	Gross Net Performing Assets
GoI / Government	The Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
Ind AS	Indian Accounting Standards
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Indian GAAP/ I-GAAP	Generally Accepted Accounting Principles In India
Income Tax Act/ IT Act	The Income Tax Act, 1961 and amendments thereto
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended
INR / ₹ / Rs./ Indian Rupees	Indian Rupee, the official currency of the Republic of India
IST	Indian Standard Time
IT	Information Technology
MCA	The Ministry of Corporate Affairs, Government of India
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NAV	Net Asset Value
NCT	National Capital Territory, Delhi
NCLT	National Company Law Tribunal

Term	Description
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer.
BSE	Bombay Stock Exchange of India
Net Worth	The aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account, and debit or credit balance of the profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NR/ Non- Resident	A person resident outside India, as defined under the FEMA and includes an NRI, FPIs registered with SEBI and FVCIs registered with SEBI
NRE	Account Non-resident external account
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
BSE	Bombay Stock Exchange of India Limited
OCB	Overseas Corporate Body
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RoNW	Return on Net Worth
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI Rights Issue Circulars / SEBI Right Issue Circulars / SEBI Rights Issue Circular	SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and SEBI circular, bearing reference no. SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022.
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto

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Term	Description
Securities Act	United States Securities Act of 1933, as amended
STT	Securities transaction tax
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent amendments thereto
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be

## NOTICE TO INVESTORS

The distribution of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, the Abridged Letter of Offer or Application Form may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch through email and courier this Letter of Offer / Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, this Letter of Offer will be provided, through email and courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Stock Exchanges, subject to the applicable law.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, the Abridged Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Abridged Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer and the Abridged Letter of Offer must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Letter of Offer or the Abridged Letter of Offer or Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Letter of Offer or the Abridged Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Abridged Letter of Offer or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in this Letter of Offer, the Abridged Letter of Offer or the Application Form.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction. Our Company, the Registrar or any other person acting on behalf of our Company reserves the right to treat any Application Form as invalid where they believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Neither the delivery of this Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

**THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT THEIR OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.**



**NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States of America or the territories or possessions thereof (“United States”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The offering to which this Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States or as a solicitation therein of an offer to buy any of the Rights Equity Shares or Rights Entitlement. There is no intention to register any portion of the Issue or any of the securities described herein in the United States or to conduct a public offering of securities in the United States. Accordingly, this Letter of Offer / Abridged Letter of Offer and the enclosed Application Form and Rights Entitlement Letters should not be forwarded to or transmitted in or into the United States at any time. In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and this Letter of Offer / Abridged Letter of Offer and Application Form and Rights Entitlement.

Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address. Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, (i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and (ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations; (ii) appears to us or our agents to have been executed in or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

## PRESENTATION OF FINANCIAL INFORMATION AND USE OF MARKET DATA

### CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to “India” contained in this Letter of Offer are to the Republic of India and the “Government” or “GoI” or the “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the “US” or “U.S.” or the “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

### FINANCIAL DATA

Unless stated or the context requires otherwise, our financial data included in this Letter of Offer is derived from the Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024

We have prepared our Audited Financial Statements of our Company as of and for the financial year ended March 31, 2024 in accordance with Indian Accounting Standard (Ind AS), Companies Act, and other applicable statutory and / or regulatory requirements. Our Company publishes its financial statements in Indian Rupees.

For details of the Audited Financial Statements for the financial year ended March 31, please refer to the section titled “*Financial Statements*” beginning on page 83 of this Letter of Offer.

Our Company’s Financial Year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the 12 months period ending on March 31 of that particular calendar year.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

### CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to ‘Rupees’, ‘Rs.’, ‘₹’, ‘Indian Rupees’ and ‘INR’ are to Rupees, the official currency of the Republic of India.

All references to ‘U.S. \$’, ‘U.S. Dollar’, ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

#### ***Please Note:***

One lakh is equal to 100 thousand;  
One crore is equal to 10 million/100 lakhs;  
One million is equal to 1,000,000/10 lakhs;  
One billion is equal to 1,000 million/100 crores;

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout this Letter of Offer has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that industry data used in this Letter of Offer is reliable, it has not been independently verified.

The industry data used in this Letter of Offer has not been independently verified by our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

The extent to which market and industry data used in this Letter of Offer is meaningful depends on the reader's familiarity with and understanding of methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which our business is conducted, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page 28 of this Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

## CONVERSION RATES FOR FOREIGN CURRENCY

This Draft Letter of Offer contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Name of Currency	(Amt. in Rs.)	
	31-03-2024	31-03-2023
1 U.S. Dollar	83.32	82.23
1 EUR	90.22	89.61
1 GBP	105.29	101.87

Source: www.fbil.org.in

## FORWARD LOOKING STATEMENTS

We have included statements in this Draft Letter of Offer which contain words or phrases such as ‘will’, ‘may’, ‘aim’, ‘is likely to result’, ‘believe’, ‘expect’, ‘continue’, ‘anticipate’, ‘estimate’, ‘intend’, ‘plan’, ‘contemplate’, ‘seek to’, ‘future’, ‘objective’, ‘goal’, ‘project’, ‘should’, ‘pursue’ and similar expressions or variations of such expressions, that are ‘forward looking statements’.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. Uncertainty of the continuing impact of the pandemic on our business and operations;
2. General economic and business conditions in India and in the markets in which we operate and in the local, regional, and national economies;
3. Changes in laws and regulations relating to the sectors and industry in which we operate;
4. Realization of Contingent Liabilities;
5. Occurrence of uninsured losses;
6. Factors affecting the industry in which we operate;
7. Our ability to meet our capital expenditure requirements;
8. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
9. Fluctuations in operating costs;
10. Our ability to attract and retain qualified personnel;
11. Our failure to keep pace with rapid changes in technology;
12. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Changes in Government policies and Regulatory actions that apply to or affect our business;
18. Conflicts of interest with affiliated companies and other related parties;
19. The performance of the financial markets in India and globally.

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled ‘**Risk Factors**’ beginning on page 28 of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could materially differ from what actually occurs in the future. As a result, actual future gains or

losses could materially differ from those that have been estimated and are not a guarantee of future performance. Our Company or advisors does not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI and BSE's requirements, our Company shall ensure that Investors in India are informed of material developments until the time of the grant of listing and trading permission by the BSE.

## SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled **‘Risk Factors’**, **‘Objects of the Issue’**, **‘Business Overview’** and **‘Outstanding Litigations, Defaults and Material Developments’** beginning on pages 28,51,70 and 170 of this Draft Letter of Offer, respectively.

### SUMMARY OF OUR BUSINESS

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai, dated February 19, 1981 with the name Growel Investments Limited. The Company on November 8, 2006 changed its Name from Growel Investments Limited To Money Masters Investment Limited, as issued by Registrar of Companies, Mumbai. Further, the Company on June 29, 2010 changed its name from Money Masters Investment Limited to Zodiac Ventures Limited, as issued by Registrar of Companies Mumbai. The Corporate Identification Number of our Company is L45209MH1981PLC023923.

Our Company is listed on the BSE Limited (BSE) effective from September 15, 1981 bearing Symbol ‘ZODIACVEN’. The ISIN of our company is INE945J01027, and the Scrip code is 503641.

Our Company is in the business of developing real estate projects in the residential space.

The company acquires and develops land that has locational advantages and are reasonably priced. In developing these properties, they place an emphasis on architecture, infrastructure, raw materials and facilities and seek to apply aesthetic design techniques to make the optimum use of available space.

The Company and its associates have completed projects with a total built-up area of 2.16 lac sq.ft. in Andheri, Vile Parle and Bandra. They have ongoing projects located at Juhu and Vile Parle and upcoming projects at Andheri with a total saleable area of about 3.28 lac sq.ft.

### SUMMARY OF OUR INDUSTRY

Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022–23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

India’s nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.

### MARKET SIZE

By 2040, real estate market will grow to Rs. 65,000 crore (US\$ 9.30 billion) from Rs. 12,000 crore (US\$ 1.72 billion) in 2019. Real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 from US\$ 120 billion in 2017 and contribute 13% to the country’s GDP by 2025. Increasing share of real estate in the GDP would be supported by increasing industrial activity, improving income level and urbanisation. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

1.As per ICRA estimates, Indian firms are expected to raise >Rs. 3.5 trillion (US\$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US\$ 29 billion to date.

2.The office market in top eight cities recorded transactions of 22.2 msf from July 2020 to December 2020, whereas new completions were recorded at 17.2 msf in the same period. In terms of share of sectoral occupiers, Information Technology (IT/ITeS) sector dominated with a 41% share in second half of 2020, followed by BSFI and Manufacturing sectors with 16% each, while Other Services and Co-working sectors recorded 17% and 10%, respectively.

3.Around 40 million square feet were delivered in India in 2023. It is expected that the country will have a 40% market share in the next 2-3 years. India is expected to deliver 46 million square feet in 2022.According to Savills India, real estate demand for data centres is expected to increase by 15-18 million sq. ft. by 2025.

4.In 2023, the manufacturing sector accounted for 24% of office space leasing at 5.7 million square feet. SMEs and electronic component manufacturers leased the most between Pune, Chennai and Delhi NCR, followed by auto sector leasing in Chennai, Ahmedabad and Pune. The 3PL, e-commerce and retail segments accounted for 34%, 26% and 9% of office space leases, respectively. Of the total PE investments in real estate in Q4 FY21, the office segment attracted 71% share, followed by retail at 15% and residential and warehousing with 7% each.

5.In 2023, office absorption in the top seven cities stood at 38.25 million Sq. ft.

6.In the third quarter of 2023 (between July 2023-September 2023), new housing supply stood at ~65,211 units, increased by 228% YoY across the top eight cities compared with ~19,865 units launched in the third quarter of 2020.

7.In 2022-23, the commercial space is expected to record increasing investments. For instance, in October 2022, Chintels Group announced to invest Rs. 400 crore (US\$ 53.47 million) to build a new commercial project in Gurugram, covering a 9.28 lakh square feet area.

8.According to the Economic Times Housing Finance Summit, about three houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

Government policies are helping the real estate sector prosper

Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. Below are some of the other major Government initiatives:

- In Budget 2024-25, Under PM Awas Yojana Urban 2.0, housing needs for 1 crore urban poor and middle-class families will be met with a Rs. 10 lakh crore (US\$ 120.16 billion) investment, including Rs. 2.2 lakh crore (US\$ 26.44 billion) in central assistance over the next 5 years.

- In the 2024-25 interim Budget, Finance Minister Nirmala Sitharaman announced a boost for India's affordable housing sector by adding 2 crores more houses to the flagship scheme PMAY-U.

- In the Union Budget 2023-24, the Finance Ministry announced a commitment of Rs. 79,000 crore (US\$ 9.64 billion) for PM Awas Yojana, which represents a 66% increase compared to last year.

- In October 2021, the RBI announced to keep benchmark interest rate unchanged at 4%, giving a major boost to the real estate sector in the country. The low home loan interest rates regime was expected to drive the housing demand and increase sales by 35-40% in the festive season in 2021.

- Under Union Budget 2021-22, tax deduction up to Rs. 1.5 lakh (US\$ 2,069.89) on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of fiscal 2021-22.
- The Atmanirbhar Bharat 3.0 package announced by Finance Minister Ms. Nirmala Sitharaman in November 2020 included income tax relief measures for real estate developers and homebuyers for primary purchase/sale of residential units of value up to Rs. 2 crore (US\$ 271,450.60) from November 12, 2020, to June 30, 2021).
- In order to revive around 1,600 stalled housing projects across top cities in the country, the Union Cabinet approved the setting up of Rs. 25,000 crore (US\$ 3.58 billion) alternative investment fund (AIF).
- Government created an Affordable Housing Fund (AHF) in the National Housing Bank (NHB) with an initial corpus of Rs. 10,000 crore (US\$ 1.43 billion) using priority sector lending short fall of banks/financial institutions for micro financing of the HFCs.
- As of December 31, 2022, India had formally approved 425 SEZs, and as of January 2023, 270 SEZs are operational. Most special economic zones (SEZs) are in the IT/ BPM sector.

## ROAD AHEAD

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market. It would create an opportunity worth Rs. 1.25 trillion (US\$ 19.65 billion) in the Indian market in the coming years. Responding to an increasingly well-informed consumer base and bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The residential sector is expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2023, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space.

The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

The growing flow of FDI in Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards. Indian real estate is expected to attract a substantial amount of FDI in the next two years with US\$ 8 billion capital infusion by FY22

Sources: <https://ibef.org/industry/real-estate-india>

## OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

Particulars	Amount (In lakhs)
Gross Proceeds from the Issue#*	4975.00
Gross: Estimated Issue related Expenses	75.00



<b>Net Proceeds from the Issue</b>	4900.00
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# assuming full subscription and allotment

\*The Issue size will Not Exceed ₹49,00,00,000 (Rupees Forty-Nine Crore Seventy Five lakhs Only) If There Is Any Reduction In The Amount On Account Of Or At The Time Of Finalization Of Issue Price and Rights Entitlements Ratio, the same will be adjusted against [●]

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

Sr. No.	Particulars	Amount (In lakhs)
1.	To augment the existing and incremental working capital requirement of our company	2250.00
2.	General Corporate Purposes#	1,150.00
3.	Repayment of Secured/ Unsecured Loan	1500.00
	<b>Total Net Proceeds*</b>	<b>4900.00</b>

#To be finalized on determination of the Issue Price and updated in the Letter of Offer prior to filing with the Stock Exchanges.

The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please refer to the chapter titled '**Objects of the Issue**' beginning on page 51 of this Draft Letter of Offer.

#### **OUR PROMOTERS**

The Promoters of our Company are Mr. Ramesh Virji Shah, Ms. Pushpa Ramesh Shah, Mr. Jimit Ramesh Shah, Ms. Sunita Jimit Shah, and Ms. Yesha Ramesh Shah.

#### **INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS AND PROMOTER GROUP**

Our Promoters vide their letters dated November 08, 2024 (the "**Subscription Letters**") have agreed that they may: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoters, member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoters or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue; (c) subscribe to, either individually or jointly and/ or severally with any other Shareholder for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue; and (d) the eligible members of our Promoter Group reserve the right to subscribe either itself and/or through third party(ies) by renouncing their Rights Entitlement in the Issue, including in an event of under-subscription in this Issue, subject to the post issue aggregate shareholding of our Promoter not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10 (4) (b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations.

**FINANCIAL INFORMATION**

The following table sets forth the summary financial information derived from the Audited Financial Statements, for Financial Years and quarter ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021 prepared in accordance with Ind (AS) and the Companies Act, 2013.

(In ₹)

Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	3,75,90,000	3,72,90,000	3,72,90,000	3,72,90,000
Net Worth	14,44,64,257	8,51,67,778	5,66,48,508	11,19,58,694
Total Income	83,25,773	1,33,16,479	79,77,624	20,00,000
Profit / (loss) after tax	38,77,978	97,11,270	(55,30,185)	(2,00,003)
Basic and diluted EPS	1.44	0.26	(1.48)	(0.01)
Total borrowings	21,96,32,778	15,11,82,056	1,15,78,219	4,56,09,451

**Qualifications of the Auditors**

There are no qualifications, reservations and adverse remarks made by our Statutory Auditors in their report which requires any adjustment to audited financial statements of the Company for the last 2 financial years, i.e. FY 2023-24 and FY 2022-23

**Summary of Contingent Liabilities**

For details regarding our contingent liabilities for FY 2023-24 and FY 2022-23.

**OUTSTANDING LITIGATIONS**

Nature of cases	Number of cases	Amount involved (₹)
<b>Litigations involving our Company</b>	i.	ii.
Litigation Involving Actions by Statutory/Regulatory Authorities	NIL	NIL
Litigation involving Tax Liabilities	2	19,48,201
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	NIL	NIL
Proceedings involving Material Violations of Statutory Regulations by our Company	NIL	NIL
Matters involving economic offences where proceedings have been initiated against	NIL	NIL

Nature of cases	Number of cases	Amount involved (₹)
our Company		
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	NIL	NIL
<b>Litigation involving our Directors</b>	NIL	NIL
<b>Litigation involving our Group Companies</b>	3	13,54,97,781

For further details, please refer to section titled '*Outstanding Litigations, Defaults and Material Developments*' beginning on page 170 of this Draft Letter of Offer.

#### **RISK FACTORS**

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled '*Risk Factors*' beginning on page 28 of this Draft Letter of Offer.

#### **CONTINGENT LIABILITIES**

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 83 of this Draft Letter of Offer.

#### **RELATED PARTY TRANSACTIONS**

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled '*Financial Statements*' beginning on page 83 of this Draft Letter of Offer.

#### **FINANCING ARRANGEMENTS**

There are no financing arrangements wherein the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of the Letter of Offer

#### **ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

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**SECTION II – RISK FACTORS**

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*An investment in equity shares involves a high degree of risk. Prospective Investors should carefully consider all the information disclosed in this Letter of Offer, including the risks and uncertainties described below and the “Financial Statements” on page 83 before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 70, 64 and 155, respectively, as well as the other financial information included in this Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.*

*However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.*

*This Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see “Forward Looking Statements” on page 20.*

*Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Financial Statements included in this Letter of Offer. For further information, see “Financial Statements” on page 83. In this section, unless the context otherwise requires, a reference to “our Company” on a standalone basis.*

**INTERNAL RISK FACTORS*****1. We have not entered into any long-term contracts with any of our clients.***

We do not have any long-term contracts with our clients and any change in the business pattern of our existing clients could adversely affect the business of our Company. As a result, our customers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers have no obligation to place order with us and may either cancel, reduce, or delay orders. The orders placed by our Company's customers are dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company's products, customer's inventory management, amongst others. Although we have satisfactory business relations with our clients and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

***2. Our Company requires entering into Development Agreement for land developments rights with the owners of the land, which entails certain risks like specific performance of the terms of the agreement, litigations etc. Further, any disruption in the execution of the said agreements due to any reason whatsoever may have adverse effects on our commercial operations and profitability.***

Our Company requires to entering into development agreements for land developments rights with the owners of the land. Such agreements carry risks like specific performance of the terms and covenants of such agreement, project schedules and timelines to be met with, maintaining cordial relationship with the land owners, litigations/disputes etc.

Certain parties granting development rights to us or to our partners (in case of joint development management agreements) may not have acquired ownership rights or clear title in respect of land that we have categorized as part of our Saleable Area. In addition, we may face practical difficulties in verifying the title of a prospective seller of property or of the land owner or developer. As each transfer in a chain of title may be subject to defects, our title and agreements we will be entering into with land owners for construction on, and development of, land may be subject to various defects which we may not be aware of. Further, our Company may also be required to make partial payments to the land owner for land development rights which our Company may be unable to recover under certain circumstances. Additionally, under certain of our agreements, our development partners are required to aggregate large parcels of land for us to commence developing the project. If these development partners face any difficulties in obtaining or fail to obtain the requisite amount of land, the schedule of development of that project could be substantially disrupted which could have an adverse effect on our business, financial condition and results of operations. Our Company's inability to acquire land development rights, or if our Company fails to recover the partial payment made by it with respect to such land developments rights, it may adversely affect our Company's business, financial condition and results of operation. The Company may face risks associated with potential acquisitions, investments, strategic partnerships or other ventures that could adversely affect its results of operations.

***3. Our success depends largely upon the services of our Managing Directors and other key managerial personnel and our ability to attract and retain them.***

We are dependent on our Managing Director and Key Managerial Personnel for setting our strategic direction and managing our businesses. Our Company has over past years built relations with suppliers, customers and other persons who are connected with us. Accordingly, our Company's performance is dependent upon the services of our Managing Director, and other key managerial personnel. Our future performance will depend upon the continued services of these persons. Demand for key managerial personnel in the industry is intense and our inability to attract and retain key managerial personnel may affect the operations of our Company.

***4. Some or all of our Ongoing Projects may be delayed or may not be completed by their expected completion dates or at all. Such delays may adversely affect our reputation, business, results of operations and financial condition.***

Our Ongoing Projects may be subject to significant changes and modifications from our currently estimated management plans and timelines as a result of factors outside our control, including, among others:

- defects or challenges to land titles;
- failure or delay in securing necessary statutory or regulatory approvals and permits for us to develop our projects;
- inability to complete our projects in agreed time;
- availability of financing;
- occurrence of force majeure events including natural disasters and weather conditions;
- legal proceedings initiated against us, landowners or development partners by individuals or regulatory authorities seeking to restrain development of our projects;
- reliance on third-party contractors and the ability of third parties to complete their services on schedule and in budget; and
- regulatory changes such as changes in development regulations and challenges in interpreting and complying with them.

Such changes and modifications to our timelines may have a significant impact on our Ongoing Projects, and consequently, we may not develop these projects as contemplated, or at all, which may have an adverse effect on our reputation, business, results of operations and financial condition.

***5. Our business and growth plan could be adversely affected by the incidence and rate of taxes and stamp duties, which could adversely affect our financial condition and results of operations.***

As a property owning and development company, we are subject to the property tax regime in each state where our projects are located. These taxes could increase in the future, and new types of property taxes may be introduced which would increase our overall development costs and other costs. We are also subject to stamp duty for the agreements entered into in respect of the properties we buy and sell. If these duties increase, the cost of acquiring properties will rise, and sale values could also be affected, resulting in reduction of our profitability. An increase in stamp duties could also adversely affect investor demand and may adversely affect our sales. Any such changes in the incidence or rates of property taxes or stamp duties could have an adverse effect on our financial condition and results of operations.

***6. We have high working capital requirements. Any failure in arranging adequate working capital for our operations may adversely affect our business, results of operations, cash flows and financial condition.***

Our business requires a high amount of working capital. For further details of our working capital borrowings, please see the section entitled “Financial Information” on page 83. To finance such capital requirements, we have availed certain loan facilities including overdraft facilities. We cannot assure you that we will be able to raise debt to meet our working capital requirements on commercially acceptable terms in a timely manner or at all. If we have to fund our working capital requirements from infusion of equity, it may result in dilution of shareholding of our existing Shareholders. Further, our Company proposes to utilize the Net Proceeds for its working capital requirements.

***7. The business orders which we undertake may be delayed, modified, cancelled, or not fully paid for by our clients and therefore, could materially affect our business, results of operations and financial condition.***

The business orders which we undertake may be cancelled or may be subject to changes in scope or schedule. We may also encounter problems executing the orders or executing them on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone an order or cause its cancellation. Such factors could include delays or failures to obtain necessary permits, right-of-way, or receive performance bonds and other types of difficulties or obstructions. Any delay, failure, or execution difficulty with respect to orders in our Order Book could materially affect our business, results of operations and financial condition.

***8. We are dependent upon third party entities for the plotting and development of our projects, which entails certain risks including limited control over the timing or legal changes by Government.***

We enter into agreements with third party entities to design the plotting of land and construct our projects in accordance with our specifications and quality standards and under the time frames provided by us. We require the services of other third parties, including architects, engineers, contractors and other suppliers of labour and materials. The timing and quality of construction of the projects we develop depends on the availability and skill of these third parties, as well as contingencies affecting them, including equipment, labour and raw material shortages and industrial actions such as strikes and lockouts. We may only have limited control over the timing or quality of services and sophisticated machinery or supplies provided by such third parties. If such contractors are unable to perform their contracts, including completing our developments within the specifications, quality standards and time frames specified by us, at the estimated cost, or at all, we may be required to incur additional cost or time to develop the property to appropriate quality standards in a manner consistent with our development objective, which could result in reduced profits or, in some cases, significant penalties and losses which we may not be able to recover from the relevant contractor. We cannot assure you that the services rendered by any of our contractors will always be satisfactory or match our requirements for quality, which may adversely affect our reputation, business, results of operations and cash flows.

For example, in certain of our developments, we are required to provide warranties for plotting/ construction defects for the period specified under the applicable law, and may be held liable to rectify such defects without further charges. Even though our contractors provide us with certain warranties, such warranties may not be sufficient to cover our losses, or our contractors could claim defenses not available to us against our customers, which could adversely affect our financial condition and results of operations. Further, we cannot assure you that the services rendered by any of our independent construction contractors will always be satisfactory or match our requirements for quality. As on the date of filing this Letter of Offer, we have not faced any such situation/ circumstance in the

past 5 years, however, we cannot assure that we will not face such situation/ circumstance in the future. Further, while we provide for penalties against our third party contractors for delays in meeting milestones, we cannot assure you that these contractors will pay us those penalties in time, or at all, and we may be obligated to incur the cost of delays of the project, which could adversely affect our business, reputation, financial condition and results of operations. Further, delays and cost overruns may occur for reasons not involving the fault of our contractors and for which they therefore do not bear any responsibility to us.

***9. We face intense competition in our businesses, which may limit our growth and prospects.***

Our Company faces significant competition from other manufacturers and traders. In particular, we compete with other traders operating in the markets in which we are present. Our competitors may have advantages over us, including, but not limited to: • Substantially greater financial resources; • Longer operating history than in certain of our businesses; • Greater brand recognition among consumers; • Larger customer bases in and outside India; or • More diversified operations which allow profits from certain operations to support others with lower profitability. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

***10. Our results of operations are likely to vary from year to year and be unpredictable, which could cause the market price of the Equity Shares to be volatile.***

Our results of operations in any given year can be influenced by a number of factors, many of which are outside of our control and may be difficult to predict, including:

- our ability to acquire and retain clients for our products & services;
- maintaining high levels of customer satisfaction;
- costs relating to our operations;
- adhering to our high quality and process execution standards;
- pricing policies introduced by our competitors;
- the timing and nature of, and expenses incurred in, our marketing efforts;
- recruiting, training, and retaining sufficient skilled technical and management personnel;
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems;

All of these factors, in combination or alone could negatively impact our revenues and may cause significant fluctuations in our results of operations. This variability and unpredictability could materially and adversely affect our results of operations and financial condition.

***11. As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations.***

Any non-compliance/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties. The Equity Shares of our Company are listed on BSE Limited, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations.

Our Company endeavors to comply with all such obligations/reporting requirements, there may be nondisclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares. As on the Date of Filing of DLOF there is no pending prosecution and/or penalties.

***12. Our Company has not taken insurance cover hence we may not be able to protect ourselves from all losses and may in turn adversely affect our financial condition.***

Our Company has not taken any insurance cover at present. Hence, we may not be able to protect ourselves from any damage or loss suffered by us. To the extent that we suffer loss or damage, our results of operations or cash flow may be affected.

**13. We have experienced negative cash flows in the past. Any such negative cash flows in the future could adversely affect our business, results of operations and prospects.**

The following table sets forth our cash flow for the periods indicated:

Particulars	For the Financial year ended March 31,2024	For the Financial year ended March 31,2023	For the Financial year ended March 31,2022	For the Financial year ended March 31,2021
Net Cash from Operating Activities	(4,30,31,944.70)	(6,10,83,317.12)	24,40,242	16,02,029
Net cash from Financing Activities	6,77,15,033.06	13,66,11,961.40	(1,76,97,025)	(15,08,452)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares.

**14. We do not own our Registered Office from which we operate.**

We do not own the premises on which our Registered Office is situated. Our Company has taken the registered office on leave and license basis. If the owner of the premises revokes the arrangements under which we occupy the premises or imposes terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

**15. Our Company's management will have flexibility in utilizing the Net Proceeds. There is no monitoring agency appointed by our Company and the deployment of funds is at the discretion of our Management and our Board of Directors, though it shall be monitored by our Audit Committee.**

As the Issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI (ICDR) Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue.

**16. Any Penalty or demand raised by statutory authorities in future will affect our financial position of the Company.**

Our Company is mainly engaged in business of real estate and trading which attracts tax liability such as Goods and Service Tax and other applicable provision of the Acts. However, the Company has been depositing the return under above applicable acts but any demand or penalty raised by concerned authority in future for any previous year and current year will affect the financial position of the Company.



***17. If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to use systems/equipment capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will use such systems/equipment effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analysis of market and other data or the strategies we use or plan in future to use will be successful under various market conditions.

***18. Our business is based on the trust and confidence of our customers; any damage to that trust and confidence may materially and adversely affect our business, future financial performance and results of operations.***

We are dedicated to earning and maintaining the trust and confidence of our customers and we believe that the good reputation is essential to our business. The reputation of our Company could be adversely affected by any threatened and/or legal proceedings and/or any negative publicity or news articles in connection with our Company. As such, any damage to our reputation could substantially impair our ability to maintain or grow our business. If we fail to maintain brand recognition with our target customers due to any issues with our product offerings, a deterioration in service quality, or otherwise, declines our market perception and customer acceptance of our brands may also decline.

***20. The business and future results of operations of our Company may be adversely affected if we incur any time or cost overruns.***

Our Company's business plans are subject to various risks including time and cost overruns and delays in obtaining regulatory approvals. Further, there could also be unexpected delays and cost overrun in relation to our projected / future projects and thus, no assurance can be given to complete them on scheduled time and within the expected budget. If such changes take place during the course of development of any of our projects, then our projections regarding the costs, revenues, return on the project, profitability as well as our operations will be adversely affected.

Further, if there are any revisions made to the existing plans, approvals, permits or licenses granted for our Ongoing Projects by relevant authorities, then we may, as a result of such revisions, be required to seek approval from the existing customers, if and to the extent required by law, of such project, undertake unplanned rework, including demolition on such projects or re-apply for and obtain key regulatory approvals. Such an occurrence may result in time and cost overruns, including customer complaints and claims under the evolving regulatory framework, which may have an adverse effect on our reputation, business, results of operations and financial condition.

***21. Our continued success depends upon availability of adequate labour on timely basis. Any work stoppages or other labour related problems could adversely affect our business.***

We require skilled and unskilled labour for successful running of our operations. Any shortage of adequate labour due to any labour related issues may affect smooth running of our operations and we may not be able to meet our project timelines. We maintain cordial relationship with the labour and have not encountered any work stoppages and other labour problems so far.

***22. Our business is subject to various operating risks at our project sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of equipment's used at the project sites, weather conditions, interruption in power supply due to breakdown of power generators, shortage of

consumables, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, industrial accidents, our inability to respond to technological advancements and emerging realty industry standards and practices along with the need to comply with the directives of relevant government authorities. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse effect on our business operations and financial conditions.

***22. The real estate industry in India is intensely competitive and our inability to compete effectively may adversely affect our business, financial condition and results of operations.***

We operate in an intensely competitive and highly fragmented industry with low entry barriers. We face significant competition in our business from a large number of Indian real estate development companies who also operate in the same regional markets as us. The extent of the competition we face in a potential property market depends on a number of factors, such as the size and type of property development, contract value and potential margins, the complexity and location of the property development, facilities and supporting infrastructure services, the reputation of our competitors, and the risks relating to revenue generation.

Given the fragmented nature of the real estate industry, we often do not have adequate information about the property developments our competitors are developing and accordingly, we run the risk of underestimating supply in the market. As part of our business plan to expand across high growth markets in prominent and growing cities in India, we face the risk that some of our competitors, who are also engaged in real estate development, may be better known in other markets, enjoy better relationships with land-owners and international or domestic joint venture partners, may gain easier access to information regarding attractive parcels of land and be better placed to acquire such land. Further, our competitors may commence operations in the vicinity of our Ongoing Projects and Forthcoming Projects and may offer their products at competitive prices, resulting in a decreasing of sales of our projects.

Some of our competitors are larger than us and have greater land reserves or financial resources or a more experienced management team. They may also benefit from greater economies of scale and operating efficiencies and may have greater experience in regional markets, especially in relation to local laws and regulations. Competitors may, whether through consolidation or growth, present more credible integrated or lower cost solutions than we do, causing us to win fewer tenders. We cannot assure you that we can continue to compete effectively with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

Further, intensified competition between property developers may result in increased land prices, oversupply of properties, lower real estate prices, and lower sales at our properties, all of which may adversely affect our business. Further, our development management business may be subject to increased competition from other real estate development companies, as it requires lower up front capital investment. We cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that increased competition will not have an adverse effect on our profitability.

***23. Our inability to effectively implement our growth strategies or manage our growth could have an adverse effect on our business, results of operations and financial condition.***

Our growth strategy envisages a very strong asset size and operational income growth. However, there could be a possibility that we may not grow at a comparable rate to our growth rate in the past or the required growth rate to effectively compete in the market either in terms of profit or income. Further, such growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls and more importantly adhering to quality and high standards that meet customer expectations. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

## ISSUE SPECIFIC FACTORS

1. ***Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Issue with respect to such Rights Entitlements.

2. ***The Rights Entitlement of Physical Shareholders may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with the SEBI Circular bearing reference number ‘SEBI/HO/CFD/DIL2/CIR/P/2020/13’ dated January 22, 2020, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least 1 (One) day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 03, 2018 issued by the SEBI, with effect from April 01, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

3. ***SEBI has recently, by way of Rights Issue Circulars streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Rights Issue Circulars and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see ‘*Terms of the Issue*’ on page 180 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely being [●]) opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

- (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
- (b) Equity Shares held in the account of IEPF authority; or
- (c) The demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in the physical form on the Record Date the details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or
- (e) Credit of the Rights Entitlements returned/reversed/failed; or

- (f) The ownership of the Equity Shares currently under dispute, including any court proceedings.
4. ***You may be subject to Indian taxes arising out of capital gains on the sale of the Right Shares and Rights Entitlement.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares of an Indian Company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on gains made upon the sale of the Equity Shares.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, and the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

5. ***Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading our Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

6. ***There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by BSE until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

7. ***Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, any Company incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages

prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

8. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may adversely affect the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Rupees on the Stock Exchange. Any dividends in respect of our Equity Shares will also be paid in Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may adversely affect the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

9. ***Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, the Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political, or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of our Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase the Rights Equity Shares at a price that will be higher than the actual market price of the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealised loss as a result. We may complete the Allotment even if such events may limit the Applicant's ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

10. ***Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

11. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a Company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian Company than as shareholder of a corporation in another jurisdiction.

12. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Following the Issue, we will be subject to a daily “circuit breaker” imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

Furthermore, prior trading prices may not be indicative of future trading values for the Rights Equity Shares. A stock exchange may halt secondary market trading in our Equity Shares due to market conditions or other reasons. Furthermore, an exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, all of which may have an adverse impact on our Shareholders' ability to sell their Equity Shares or the price at which Shareholders may be able to sell their Equity Shares at any given time.

## EXTERNAL RISK FACTORS

**1. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, cash flows and financial condition.**

India is our key market. For Fiscal 2024, entire of our Company's revenue from operations was from India. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and our business, results of operations, cash flows and financial condition.

**2. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.**

Our business is subject to various laws and regulations, which are evolving and subject to change. We are also subject to corporate, taxation and other laws in effect in India, which require continued monitoring and compliance. These laws and regulations and the way in which they are implemented and enforced may change. There can be no assurance that future legislative or regulatory changes will not have any adverse effect on our business, results of operations, cash flows and financial condition.

**3. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.**

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as , acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India, or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations.

**4. Significant differences exist between Ind AS and Indian GAAP and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.**

Our financial statements for Fiscals 2019, 2018 and 2017 included in this offer documents are prepared and presented in conformity with Indian GAAP and restated in accordance with the requirements the SEBI (ICDR) Regulations and the Guidance Note on “Reports in Company Offer Documents (Revised 2016)” issued by the ICAI. Ind AS differs from Indian GAAP and other accounting principles with which prospective investors may be familiar

in other countries, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Financial Statements included in this Offer Documents will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

**5. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition. India's physical infrastructure is in a developing phase, as compared to that of many developed nations.**

Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could have an adverse effect on our results of operations and financial condition.

**6. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.**

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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**SECTION III – INTRODUCTION**


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**THE ISSUE**

This Issue has been authorised by way of a resolution passed by our Board of Directors on November 8, 2024, in pursuance of Section 62 of the Companies Act, 2013 and other applicable provisions. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Rights Issue Committee formed by the Board of Directors at their meeting held on [●].

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in *'Terms of the Issue'* on page 180 of this Draft Letter of Offer.

<b>Equity Shares outstanding prior to the Issue</b>	3,75,90,000 Equity Shares;
<b>Right Shares offered in the Issue</b>	Up to 49,75,000,000 Right Shares;*
<b>Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	[●] Equity Shares;
<b>Rights Entitlement</b>	[●] Equity Shares for every [●] Equity Shares held on the Record Date;
<b>Record Date</b>	[●]
<b>Fractional Entitlement</b>	For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] ([●]) Equity Shares or is not in multiples of [●] ([●]), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. However, Eligible Equity Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of one additional Equity Share each, if such Eligible Equity Shareholders have applied for additional Equity Shares over and above their Rights Entitlement, if any.
<b>Face Value per Equity Share</b>	₹1.00/- (Rupee One Only) each;
<b>Issue Price per Equity Share</b>	₹[●]/- (Rupees [●] Only) including a premium of ₹[●]/- (Rupees [●] Only) per Rights Equity Share
<b>Issue Size</b>	Up to ₹49,75,00,000. (Rupees Forty-NineCrore Seventy-Five Lakh Only)
<b>Terms of the Issue</b>	Please refer to the section titled <i>'Terms of the Issue'</i> beginning on page 180 of this Draft Letter of Offer.
<b>Use of Issue Proceeds</b>	Please refer to the section titled <i>'Objects of the Issue'</i> beginning on page 51 of this Draft Letter of Offer.
<b>Security Code/ Scrip Details</b>	ISIN: INE945J01027; BSE Scrip ID: ZODIACVEN and BSE Scrip Code: 503641 ; ISIN for Rights Entitlements: [●]

*\*For Right Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in multiples of [●], the fractional entitlement of such Eligible Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Shareholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of 1 (One) additional Rights Equity Share each, if such Eligible Shareholders have applied for additional Right Shares over and above their Rights Entitlements;*

**TERMS OF PAYMENT**

The entire amount of the Issue Price of [●] per Rights Equity Share shall be payable at the time of Application.



**ISSUE SCHEDULE**

<b>Issue Opening Date</b>		●
<b>Last date for On Market Renunciation of Rights</b>		●
<b>Issue Closing Date</b>		●

## GENERAL INFORMATION

Our Company was originally incorporated as a public limited company under the Companies Act, 1956 pursuant to a certificate of incorporation issued by the Registrar of Companies, Mumbai, dated February 19, 1981 with the name Growel Investments Limited. The Company on November 8, 2006. changed its name from Growel Investments Limited to Money Masters Investment Limited, as issued by Registrar of Companies, Mumbai. Further, the Company on June 29, 2010 changed its name from Money Masters Investment Limited to Zodiac Ventures Limited, as issued by Registrar of Companies Mumbai. The Corporate Identification Number of Our Company is L45209MH1981PLC023923.

Registered Office: 205-C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vile Parle (West), Mumbai, Maharashtra, India, 400049

Tel: 9920598992; Website: [www.zodiacventures.in](http://www.zodiacventures.in); E-mail: [info@zodiacventures.in](mailto:info@zodiacventures.in)

Contact Person: Mr. Rustom Deboo, Company Secretary and Compliance Officer. Our Company is listed on the BSE Limited (BSE) effective from September 15, 1981 bearing Symbol 'ZODIACVEN'. The ISIN of our company is INE945J01027.

Our Company is in the business of developing Real Estate projects in the residential space.

The company acquires and develops land that has locational advantages and are reasonably priced. In developing these properties, they place an emphasis on architecture, infrastructure, raw materials and facilities and seek to apply aesthetic design techniques to make the optimum use of available space.

The Company and its associates have completed projects with a total built-up area of 2.16 lac sq.ft. in Andheri, Vile Parle and Bandra. They have ongoing projects located at Juhu and Vile Parle and upcoming projects at Andheri with a total saleable area of about 3.28 lac sq.ft.

### REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY

<b>Company</b>	ZODIAC VENTURES LIMITED;
<b>Registered Office Address</b>	205-C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vile Parle (West), Mumbai, Maharashtra, India, 400049
<b>Contact Details</b>	9920598992
<b>Email-ID</b>	<a href="mailto:info@zodiacventures.in">info@zodiacventures.in</a>
<b>Website</b>	<a href="http://www.zodiacventures.in">www.zodiacventures.in</a>
<b>Corporate Identification Number</b>	L45209MH1981PLC023923
<b>Registration Number</b>	023923

### ADDRESS OF THE REGISTRAR OF COMPANIES

**Registrar of Companies, Mumbai,**  
Registrar of Companies, Registrar of Companies, 100, Everest, Marine Drive,  
Mumbai- 400002, Maharashtra.

**BOARD OF DIRECTORS**

Name	Designation	DIN	Address
Mr. Jimit Ramesh Shah	Managing Director	01580796	8/9,505, Jupiter, Swami Narayan Mandir Road, Vile Parle (East), Mumbai 400057
Mr.Ramesh Virji Shah	Chairman and Whole-Time Director	01580767	8/9, 505 Jupiter, Swami Narayan Mandir Road, Off Azad Road, Vile Parle (East), Mumbai 400 057
Ms. Sunita Jimit Shah	Non-Executive Director	03099290	8/9, 505 Jupiter, Swami Narayan Mandir Road, Off Azad Road, Vile Parle (East), Mumbai 400 057
Mr.Sahil Deepak Visaria	Non-Executive - Independent Director	08927504	401,Fairy Manor 4 <sup>th</sup> Floor, 13 Rustom Sidhwa Marg, Opp Fire Brigade Station Fort, Mumbai G.P.O, Maharashtra 400001
Ms.Himanshi Nilesh Shah	Non-Executive - Independent Director	10564211	Plot 73 1/A,Ravikiran Jay Prakash Nagar Road No.5, Near Nanadadeep High School, Goregaon East ,Mumbai 400063.

For further details of our Board of Directors, please refer to the section titled ***Our Management*** beginning on page 77 of this Draft Letter of Offer.

Company Secretary	Chief Financial Officer
<p><b>Ms. Rustom Aspi Deboo</b>  <b>Address:</b> Queens Chambers, Flat No. 1, 6th Flr., 89 M. Karve Road, Marine Lines, Mumbai 400020  <b>Contact Details:</b> 9920598992;  <b>Email-ID:</b><a href="mailto:cs@zodiacventures.in">cs@zodiacventures.in</a></p>	<p><b>Mr. Vipul Rajnikant Khona</b>  <b>Address:</b> B/11-12, Dev Bhuvan, Cama Lane, Ghatkopar West, Mumbai 400086.  <b>Contact Details:</b>9320510101 ;  <b>Email-ID:</b><a href="mailto:vipul@zodiacventures.in">vipul@zodiacventures.in</a></p>
Registrar to the Issue/ Registrar and Share Transfer Agent	Banker to our Company
<p><b>Link Intime India Pvt. Ltd.</b>  <b>Registrar to the Rights Issue</b>  <b>Address :</b>C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400083  <b>Contact Details:</b> +81081 14949  <b>E-mail ID/ Investor grievance e-mail:</b> <a href="mailto:zodiacventures.rights@linkintime.co.in">zodiacventures.rights@linkintime.co.in</a>  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>Contact Person:</b> Shanti Gopalakrishnan  <b>SEBI Registration Number:</b> INR000004058;  <b>Validity:</b> Permanent</p>	<p><b>Punjab National Bank</b>  <b>Address:</b> Ganjawala Elegance Ganjawala Lane Borivali West, Gr. Floor Mumbai400092 Maharashtra  <b>Contact Person:</b> Mr. Dinesh M Mandewala  <b>E-mail ID:</b> bo1317@pnb.co.in  <b>Website:</b><a href="http://www.pnbindia.in">http://www.pnbindia.in</a>  <b>Contact Details:</b>+91 (022) -28954767</p>
<p><b>Bank to the Issue</b>  <b>Punjab National Bank</b>  <b>Address:</b> Ganjawala Elegance Ganjawala Lane Boriwali West, Gr. Floor Mumbai 400092 Maharashtra  <b>Contact Person:</b> Mr. Dinesh M Mandewala;</p>	

**E-mail ID:** [bo1317@pnb.co.in](mailto:bo1317@pnb.co.in);  
**Contact Details:** +91 (022) -28954767;  
**Website:** <http://www.pnbindia.in>;

#### STATUTORY & PEER REVIEW AUDITOR

**M/s Pravin Chandak & Associates**  
**CHARTERED ACCOUNTANTS**

(From FY 2024-2025)

**Address :** 403 & 702/703, New Swapnalok CHS Ltd., Natakwala Lane, Borivali (West),  
Mumbai, Maharashtra 400092

**Contact name :** Pravin P Chandak

**Membership no.** 049391

**Firm Regn No.** 116627W

#### STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Zodiac Ventures Limited will be responsible for all the responsibilities related to co-ordination and other activities in relation to this Issue. Hence a statement of inter-se allocation of responsibilities is not required.

#### SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Shares Allotted.

#### CONTACT PERSON FOR GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Shares applied for, amount blocked (in case of ASBA process), ASBA Account number, and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' beginning on page 180 of this Draft Letter of Offer.

#### EXPERT

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent from our Statutory Auditors, M/s Pravin Chandak & Associates., Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined under Section 2 (38) of the Companies Act, 2013, to the extent and in their capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the statement of special tax benefits dated A , included in this Draft Letter of Offer, and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

## SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

## ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlements#	[●]
Issue Closing Date*	[●]
Finalization of Basis of Allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

*Note:*

*#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date;*

*\*Our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [●]

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the Applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled “*Terms of the Issue*” beginning on page 180 of this Letter of Offer.

The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar to the Issue after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see “*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*” under the section titled “*Terms of the Issue*” beginning on page 180 of this Letter of Offer.

Please note that if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

#### **CREDIT RATING**

As this proposed Issue is of Right Shares, the appointment of a credit rating agency is not required.

#### **DEBENTURE TRUSTEE**

As this proposed Issue is of Right Shares, the appointment of debenture trustee is not required.

#### **MONITORING AGENCY**

Since the Issue size does not exceed ₹ 100 crore, there is no requirement to appoint a monitoring agency in relation to the Issue under SEBI (ICDR) Regulations.

#### **APPRAISING ENTITY**

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

#### **UNDERWRITING**

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

#### **FILING**

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI (ICDR) Regulations has been increased from ₹10,00,00,000.00/- (Rupees Ten Crores Only) to ₹50,00,00,000.00/- (Rupees Fifty Crores Only). Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with the BSE and not with SEBI. However, a copy of the Letter of Offer shall be submitted with SEBI for information and dissemination and will be filed with the BSE.

## **MINIMUM SUBSCRIPTION**

Pursuant to the SEBI (ICDR) Regulations, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

1. Objects of the issue being other than capital expenditure for a project; and
2. Our Promoter and Promoter Group have confirmed that they will subscribe to their right entitlement and will not renounce rights except to the extent of renunciation within the promoter group.

## CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
<b>Authorized Equity Share capital</b>		
20,00,00,000(Twenty Crore Rupees Only)	₹20,00,00,000/-	-
<b>Issued, subscribed and paid-up Equity Share capital before this Issue</b>		
3,75,90,000(Three Crore Seventy Five Lakh Ninety Thousand) Equity Shares.	₹3,75,90,000	-
<b>Present Issue in terms of this Draft Letter of Offer<sup>(a) (b)</sup></b>		
[●] ([●]) Issue of Equity Shares, each at a premium of ₹[●]/- (Rupees [●] Only) per Equity Share, at an Issue Price of ₹[●]/- (Rupees [●] Only) per Equity Share	₹[●]/-	Up to ₹49,75,00,000/-
<b>Issued, subscribed and paid-up Equity Share capital after the Issue</b>		
[●] ([●]) Equity Shares		₹[●]/-
<b>Subscribed and paid-up Equity Share capital</b>		
[●] ([●]) fully paid-up Equity Shares		₹[●]/-
<b>Securities premium account</b>		
		i.
Before the Issue <sup>(c)</sup>		6,94,16,000
After the Issue <sup>(d)</sup>		₹[●]/-

Notes:

*The Authorized Shares Capital of the Company is 20,00,00,000/- (Rupees Twenty Crores only) divided into 20,00,00,000 (Twenty Crores) Equity Shares of 1/- (Rupee One only) each, with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be provided by the Articles of Association of the Company.*

*\* Substituted vide Special Resolution passed at the Extra-Ordinary General Meeting of the Company held on 04th August 2014.*

- (a) **Assuming full subscription for allotment of Right Shares;**  
*The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on November 8, 2024*
- (b) *Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;*



## NOTES TO THE CAPITAL STRUCTURE

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
3. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights;
4. The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) (ii) of the SEBI (SAST) Regulations, in connection with the Issue is ₹[●] (Rupees [●] Only);
5. **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares**

As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares;

6. **Details of stock option scheme of our Company**

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme;

7. As on the date of this Draft Letter of Offer, the No Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares

Shares Locked in of Mr. Jimit Ramesh Shah, promoter of our company, i.e 30,62,320 Equity shares.

8. **Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Draft Letter of Offer**

None of the members of the Promoter and Promoter Group of the Company have acquired any Equity Shares in the last one year prior to the filing of this Draft Letter of Offer;

Our Company shall ensure that any transaction in the Equity Shares by our Promoter during the period between the date of filing this Letter of Offer and the Issue Closing Date shall be reported to the Stock Exchanges within 24 hours of such transaction.

**10) Shareholding pattern of our Company as per the last quarterly filing with the Stock Exchanges in compliance with the SEBI Listing Regulations:**

a. The shareholding pattern of our Company as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/zodiac-ventures-limited/zodiacven/503641/shareholding-pattern/>

b. The statements showing holding of Equity Shares of the person belonging to the category “Promoter and Promoter Group” including details of lock-in, pledge of and encumbrance thereon, as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/stock-share-price/zodiac-ventures-limited/zodiacven/503641/shareholding-pattern/>

c. The statements showing holding of Equity Shares of the person belonging to the category Public shareholder as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=503641&qtrid=123.00&QtrName=September%202024>

d. The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpdrPerent.aspx?scripcd=503641&qtrid=123.00&CompName=Zodiac%20Ventures%20Limited&QtrName=September%202024&Type=TM>

e. The statement showing holding of securities (including Equity Shares, warrants, convertible securities) of persons belonging to the category “Non Promoter- Non-Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on September 30, 2024 can be accessed on the website of the BSE at: <https://www.bseindia.com/corporates/shpNonProPublic.aspx?scripcd=503641&qtrid=123.00&QtrName=September%202024>

The shareholding pattern of our Company as on **Quarter Ending 30th September 2024**, is as follows:

Details of disclosure made by the Trading Members holding 1% or more of the Total No. of shares of the company

Sr. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
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## OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds from this Issue towards the following objects:

1. To meet incremental working Capital requirements
2. Repayment of Secured/ Unsecured Loan
3. General corporate purposes

The main objects and the objects incidental and ancillary to the main objects of our MOA enable our Company to undertake the activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our MOA.

### Net Proceeds

The details of the Issue Proceeds are set forth in the table below:( In Lakhs)

Particulars	Amount
Gross Proceeds from the Issue <sup>#</sup>	4975.00
Less :Estimated Issue related Expenses*	75.00
<b>Net Proceeds from the Issue</b>	<b>4900.00</b>

<sup>#</sup>Assuming full subscription in the Issue, subject to the finalization of the Basis of Allotment and receipt of all Call Monies with respect to Rights Issue.

\*To be determined at the time of filing the Letter of Offer

### Requirement of Funds and utilization of Net Proceeds

The proposed utilization of the Net Proceeds by our Company is set forth in the following table:  
( In Lakh)

Particulars	Amount
To augment the existing and incremental working capital requirement of our company	2250.00
Repayment of Secured/ Unsecured Loan	1500.00
General Corporate Purpose*	1,150.00
<b>Total Net proceeds</b>	<b>4900.00</b>

<sup>#</sup>The amount is subject to adjustment upon finalization of Issuer elated expenses, however, in no events shall general corporate purposes exceed 25% of the Gross Proceeds.

\*Assuming full subscription in this Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio. There are no existing or anticipated transactions in relation to utilization of Net Proceeds with our Promoters, Directors, Key Managerial Personnel or associate companies (as defined under Companies Act, 2013).

### Means of Finance

The funding requirements mentioned above are based on our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management, However, any flexibility granted to the board/management to utilize the issue proceeds shall be exercised in full compliance with all applicable laws and regulations. If additional funds are required for the purposes as mentioned above, such requirements may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them, subject to compliance with applicable laws.

The fund requirements set out above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 62(1)(c) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised from the Issue.

### Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(In Lakh)

Sr. No.	Particulars	Amount to be deployed from Net Proceeds	Estimated deployment to Net Proceeds
			FY 2024
1.	To augment the existing and incremental working capital requirement of our company	2250.00	2250.00
2.	Repayment of Secured/ Unsecured Loan	1,500.00	1,500.00
3.	General Corporate Purposes <sup>#</sup>	1,150.00	1,150.00
	<b>Total Net Proceeds*</b>	<b>4900.00</b>	<b>4900.00</b>

<sup>#</sup>The amount to be utilized for General Corporate Purposes will not exceed 25% of the Gross Proceeds.

\*Assuming full subscription in the Issue, subject to finalization of the Basis of Allotment, receipt of Call Monies with respect to Rights Issue and to be adjusted per the Rights Entitlement ratio.

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the Subsequent Financial Years as per applicable law.

### Details of the Objects

The details of the Objects of the Issue are set out below:

#### 1. Augmentation of Working Capital Requirement

(₹ in Lakh)

Particulars	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Projected)	Fiscal 2026 (Projected)
<b>Current Assets</b>					
Inventories	-	-	-	-	694.72
Inventories – Work-in-Progress	11.16	240.20	838.37	2,937.14	4,186.45
Trade Receivables	37.80	128.38	3.00	699.70	818.00
Cash and Bank Balance	3.10	0.71	260.18	731.01	57.80
Other current assets	0.26	395.61	418.97	416.35	366.23

<b>Total (A)</b>	<b>52.32</b>	<b>764.90</b>	<b>1,520.52</b>	<b>4,784.19</b>	<b>6,123.19</b>
<b>Current Liabilities</b>					
Trade Payables	9.42	5.72	14.61	141.37	309.73
Other Current Liabilities	17.40	35.84	40.59	45.65	19.38
Short Term Provision	-	-	-	38.89	260.07
<b>Total (B)</b>	<b>26.82</b>	<b>41.56</b>	<b>55.20</b>	<b>225.91</b>	<b>589.18</b>
<b>Total Working Capital (A)-(B)</b>	<b>25.50</b>	<b>723.34</b>	<b>1,465.32</b>	<b>4,558.28</b>	<b>5,534.01</b>
<b>Funding Pattern</b>					
I) Short Term Borrowings	115.78	1,511.82	2,196.33 <sup>#</sup>	696.33 <sup>#</sup>	595.25
II) Networth / Internal Accruals	-	-	-	111.95	4938.76
III) Proceeds from IPO	-	-	-	3750.00*	-

\* The amount is presented as the total of funds allocated for Working Capital and the Repayment of Certain Borrowings.

# Rs. 1500 lakhs is allocated to repay the short term borrowings.

**Key assumptions for working capital projections made by our Company (Holding Levels:)**

Particulars	Fiscal 2022 (Audited)	Fiscal 2023 (Audited)	Fiscal 2024 (Audited)	Fiscal 2025 (Projected)	Fiscal 2026 (Projected)
Inventories (In Days)	-	-	-	-	54
Trade Receivable (In Days)	173	228	288	177	121
Other Current Assets (In Days)	1	543	1786	209	61
Trade Payable (In Days)	96	46	99	87	80
Other Current Liabilities (In Days)	80	73	168	22	5

**Justification:**

Particulars	Assumption made and Justification
<b>Current Assets</b>	
<b>Inventories</b>	The company's inventory includes two key categories: finished goods and work-in-progress. Projects typically take about two to three years to complete before they are classified as finished goods. Currently, the company is managing two ongoing projects, namely the Anjneshwar Project and the Guruchaya Project, which have been classified as work-in-progress in the balance sheet for the previous financial years. The company is expecting to complete the Anjneshwar Project by the financial year 2025-26. Once completed, the company plans to sell 80% of the Anjneshwar Project within the same financial year, while the remaining 20% will be retained in the inventory as finished goods. This will mark the transition of the project from work-in-progress to finished goods, in line with the company's production cycle. On the other hand, the Guruchaya Project is expected to remain classified as work-in-progress throughout the financial year 2025-26, as it continues to progress toward completion. There is no specific holding period designated for work-in-progress, which means that until the end of the financial year 2024-25, the company will not have any finished goods in inventory. As a result, the inventory holding period for this period will remain nil. However, for the financial year 2025-26, once the Anjneshwar Project is completed and 20% of it is retained as finished goods, the company expects the inventory holding period to be

	approximately 54 days.
<b>Trade Receivable</b>	The company's working capital is largely tied up in inventory, creating a significant need for additional capital to keep operations running smoothly. To address this challenge and enhance liquidity, the company is planning to implement stricter credit policies in the upcoming years. These changes are aimed at improving cash flow and minimizing the time capital remains blocked in trade receivables. Currently, the trade receivables holding period stands at 173 days, 228 days, and 288 days for the financial years 2021-22, 2022-23, and 2023-24, respectively. With the revised policies, the company anticipates reducing this period to 177 days in the financial year 2024-25 and 121 days in the financial year 2025-26.
<b>Cash and Cash Equivalents</b>	The company's Cash and Cash Equivalents consist of Cash lying with the company and balances with Bank. The company's average Cash and Cash Equivalents amounted to Rs. 88 lakhs. The Company has an exceptionally high Cash and Cash Equivalents balance for the financial year 2024-25. This is due to the limited timeframe available for the effective deployment of proceeds from the issue, as only a part of the financial year will remain. Accordingly, the unutilized proceeds are planned to be systematically allocated and utilized in the financial year 2025-26.
<b>Other Current Assets</b>	The company's other current assets primarily consist of advances made to suppliers. The holding periods for these assets were 1 day in the financial year 2021-22, 543 days in 2022-23, and 1,786 days in 2023-24. These elevated figures are attributed to inadequate management of supplier advances. The company now aims to address this issue by improving advance management practices, with a targeted reduction in holding periods to 209 days in the financial year 2024-25 and 61 days in 2025-26.
<b>Current Liabilities</b>	
<b>Trade Payable</b>	In the previous financial year, the company had good relation with its trade payables. The trade payables holding period stood at 96 days in the financial year 2021-22, 46 days in the financial year 2022-23 and 99 days in the financial year 2023-24. The company plans to further reduce this already good figures to 87 days in financial year 2024-25 and to 80 days in 2025-26.
<b>Other Current Liabilities</b>	The company's other current liabilities primarily consist of statutory payables. To reduce these liabilities, the company plans to make <del>timely</del> statutory payments, ensuring compliance and maintaining efficient liability management. This will reduce the holding period to very minimum 22 days in financial year 2024-25 and to 5 days in 2025-26.

#### Justification of increase in working capital requirement:

In the future, the company intends to secure new projects and complete its ongoing ones. To achieve this efficiently, there is an increased need for higher working capital, especially given the industry's typical requirements. In the financial year 2022-23, the company generated a total revenue of ₹133.16 lakhs, and ₹83.26 lakhs in 2023-24. With the addition of new projects, the completion of existing ones, increased working capital, and a structured approach to operations, the company projects substantial revenue growth in the coming financial years.

The company is currently focused on two significant initiatives: The Anjleshwar Project and the Guruchaya Project. These projects are strategically planned for completion in the financial years 2025-26 and 2026-27, respectively. During the financial year 2024-25, both projects will remain under development, with no immediate cash inflows anticipated from them. Despite this, the company's regular operations will continue as usual, resulting in ongoing cash outflows. This dynamic has placed additional pressure on the company's working capital requirements. To address this challenge and ensure smooth progress, the company is prioritizing the efficient and timely execution of these projects. Completing them within the scheduled timelines is critical, as it will enable the projects to reach the market and start generating revenue. Increasing the available working capital is essential to achieving these goals, as it will provide the resources needed to maintain momentum, optimize operations, and meet the target completion dates.

Moreover, the company follows a practice of making timely payments to its trade payables, and, when necessary, it occasionally makes advance payments. This approach requires the company to allocate a portion of its working capital to trade payables to maintain strong supplier relationships and ensure smooth operations.

The company plans to impose stricter credit terms for its customers; however, as revenue rises, trade receivables are also increasing proportionately. While the company aims to reduce its trade receivable holding period, the absolute value of trade receivables is expected to grow significantly. This results in a considerable blockage of working capital in trade receivables. Although a lower holding period would help generate cash flow more quickly, it will not be sufficient, as the working capital will

be tied up again in increased trade receivables and acquiring new projects. This adds to the increased working capital requirements of the company.

In conclusion, the company's working capital needs are driven by several factors, primarily the requirement to support ongoing operations and the execution of significant projects and acquiring new projects. With the completion of the Anjneswar and Guruchaya Projects scheduled for the next few years, the company must allocate resources to ensure smooth development, despite not expecting immediate cash inflows from these projects. Additionally, the company's commitment to timely payments to trade payables and the anticipated increase in trade receivables as revenue grows further exacerbate working capital demands. To maintain operational efficiency, meet project deadlines, and manage increased receivables, the company requires higher working capital to sustain its business momentum and ensure financial stability.

## 2. Repayment of Secured/ Unsecured Loan

The company's Short term borrowings consist of Secured and Unsecured Loans. The company's short term borrowings have increased in the previous three financial years. As on 30<sup>th</sup> September, 2024, company's outstanding borrowings amounted Rs. 2090.54 lakhs. To address this liability, the Company has planned to allocate ₹1,500 lakhs from the issue proceeds for the repayment of these borrowings. By prioritizing the repayment of short-term borrowings in the current financial year, the Company aims to improve its financial position.

The following table provides details of outstanding borrowings availed by our Company, which we have identified to repay or prepay, in full or in part, from the Net Proceeds of the Proposed rights issue to the extent of Rs. 1500 Lakhs:

(Rs. In Lakhs)								
Sr. No	Name of Bank / Financial Institutions	Nature of Borrowing	Sanctioned Date	Principal Sanctioned Amount	Total Outstanding Amount as on 30-09-2024	ROI % (p.a.)	Purpose of Raising Loan	Pre-Payment Clause (If any)
1	Bleu Noir Infrastructure Development Pvt Ltd	Unsecured Loan	N.A.	N.A.	328.92	12%	Funding for ongoing projects	N.A.
2	Padam Cotton Yarns Limited	Unsecured Loan	N.A.	N.A.	261.63	9%		N.A.
3	Punjab National Bank Over Draft A/c	Secured Loan	15-March-2024	2,800.00	1,499.98	10.75%		N.A.
<b>Total</b>				<b>2,800.00</b>	<b>2,090.54</b>			

### General Corporate Purpose

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue-related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of [●] towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Gross Proceeds of the Issue.

Such utilisation towards general corporate purposes shall be to drive our business growth, including, amongst other things, (a) funding growth opportunities, (b) employee expenses, (c) meeting of exigencies which our Company may face in the course of any business, (d) advertising, brand building and other marketing expenses, (e) additional Issue expenses, if any, and any other purpose in the ordinary course of business as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with applicable laws."

Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals per applicable laws."

**Issue Expenses**

Our Company will need approximately ₹ 75 lakhs towards Issue related expenses, a break-up of the same is set forth in the table below:

Sr. No.	Particulars	Estimated Amount*(₹ in lakhs)	As a percentage of total estimated Issue expenses*	As a percentage of Gross Issue size*
	Fees payable to the Registrar to the Issue	6.75	9.00%	0.13%
	Fees payable to the other professional service providers	8.25	11.00%	0.17%
	Advertising, marketing, and shareholder outreach expenses	3.75	5.00%	0.07%
	Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	33.47	44.63%	0.68%
	<i>Others</i>			
	Other Professional fees			
		11.07	14.76%	0.22%
	Printing and stationery	1.50	2.00%	0.03%
	Statutory Auditors.	3.00	4.00%	0.06%
	Bank to the issue.	7.21	9.61%	0.14%
	Miscellaneous expenses and stamp duty.	<b>75.00</b>	<b>100.00%</b>	<b>1.50%</b>

Total estimated issuer-related expenses

*\*Assuming full subscription, subject to receipt of Call Monies with respect to Rights Issue, finalization of Basis of Allotment and actual Allotment.*

*All Issuer related expenses will be paid out of the Gross Proceeds from the Issue. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be borne by the Company from internal accruals.*

**SOURCES OF FINANCING OF FUNDS ALREADY DEPLOYED**

As on date, our Company has not deployed any funds towards the Objects of the Issue.

**APPRAISAL OF THE OBJECTS**

None of the Objects of the Issue for which the Net Proceeds will be utilised have been appraised by any bank or financial institution.

**STRATEGIC AND/OR FINANCIAL PARTNERS**



There are no strategic and financial partners to the Objects of the Issue.

#### **BRIDGE FINANCING FACILITIES**

As on the date of this Draft Letter of Offer, our Company has not raised or availed of any bridge financing facilities which are subject to being repaid from the Issue Proceeds.

#### **INTERIM USE OF FUNDS**

Our Company will have the flexibility to deploy the Net Proceeds in accordance with the policies established by our Board from time to time and in compliance with all the applicable laws. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors or a duly constituted committee thereof. In accordance with the Companies Act, our Company confirms that pending utilization of the Net Proceeds towards the stated objects of the Issue, our Company shall not use/deploy the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **MONITORING OF UTILIZATION OF FUNDS**

Since the Issue is for an amount less than ₹ 10,000 lakhs, in terms of Regulation 82 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of the Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

As per the requirements of Regulations 18(3) read with Part C of Schedule II of the SEBI Listing Regulations, we will disclose to the Audit Committee the uses / application of funds on a quarterly basis as part of our quarterly declaration of results. Further, on an annual basis, we shall prepare a statement of funds utilized for purposes other than those stated in this Letter of Offer and place it before the Audit Committee. The said disclosure shall be made till such time that the Gross Proceeds raised through the Issue have been fully spent. The statement shall be certified by our Statutory Auditor

Further, in terms of Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchanges on a quarterly basis, a statement indicating material deviations, if any, in the use of proceeds from the objects stated in this Letter of Offer. Further, this information shall be furnished to the Stock Exchanges along with the interim or annual financial results submitted under Regulations 33 of the SEBI Listing Regulations and be published in the newspapers simultaneously with the interim or annual financial results, after placing it before the Audit Committee in terms of Regulation 18 of the SEBI Listing Regulations.

#### **VARIATION IN OBJECTS**

In accordance with applicable provisions of the Companies Act, 2013 and applicable rules, except in circumstances of business exigencies, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the 'Postal Ballot Notice') shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice will

simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. For details, see '*Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholder's approval.*' on page 28.

#### **KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE**

No additional provisions of any acts, regulations, rules, and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

#### **OTHER CONFIRMATIONS**

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds without Directors, or Key Managerial Personnel of our Company in the ordinary course of business and no part of the Net Proceeds will be paid as consideration to any of them. Further, except as disclosed, none of our Directors are interested in the Objects of the Issue.

**CERTIFICATE ON STATEMENT OF TAX BENEFITS**

To,

The Board of Directors,

**Zodiac Ventures Limited**

205-C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vile Parle (West), Mumbai, Maharashtra, 400049

**Subject: Proposed rights issue of equity shares of face value of ₹1 (Rupee One only) ('Equity Shares') of Zodiac Ventures Limited('Company' and such offering, the 'Issue')**

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1. We, **Pravin Chandak & Associates.**, Chartered Accountant, statutory auditors of the Company, have received a request from the Company to verify and certify the possible special tax available to the Company and the shareholders of the Company, in connection with possible special tax benefits under direct and indirect tax laws, including under the Income Tax Act, 1961, as amended, Income Tax Rules, 1962, amendments made by Finance Act, 2023 (hereinafter referred to as 'Income Tax Laws'), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975, as amended, the rules and regulations there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders, in the enclosed statement at the Annexure.
2. Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the stated tax benefits is dependent on fulfilling such conditions.
3. A statement of possible special tax benefits available to the Company and its shareholders is required as per Schedule VI (Part A)(9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, and its shareholders the same would include those benefits as enumerated in the Statement. The benefits discussed in the enclosed annexure are not exhaustive. The Annexure is for your information and for inclusion in the Draft letter of offer (the "**Draft Letter of Offer**"), Letter of Offer (the "**Offer Letter**") and any other offering material in connection with Offer ("**Offer Documents**"), as amended or supplemented thereto or any other written material in connection with the proposed Offer and is neither designed nor intended to a substitute for professional tax advice. In view of the individual nature of the tax and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.
5. We also consent to the references to us as "Experts" under Section 26 of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and Offer Letter of the Company or in any other documents in connection with the Offer.
6. We conducted our examination of the information given in this certificate (including the annexures thereto)in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**"), as revised from time to time, to obtain a

reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements Of the 'Code of Ethics' issued by the ICAI, as revised from time to time. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time. We have also complied with the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time").

7. We confirm that the information herein is true, correct, complete, and accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the Statements made, in the light of the circumstances under which they were made, not misleading.
8. We undertake to inform you promptly, in writing of any changes to the above information until the allotment of Equity shares / Equity Shares commence trading on the relevant stock exchanges where the Equity Shares of the Company are proposed to be listed (the "Stock Exchanges"), pursuant to the Offer. In the absence of any such communication from us, the above information should be considered as updated information until the allotment of Equity shares / Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.
9. This certificate can be relied on by the Company in relation to the Offer.
10. This certificate is issued for the sole purpose of the Offer and relevant extracts can be used in part or full as and where applicable, in connection Draft Letter of Offer, Offer Letter and any other material used in connection with the Offer and consent to the submission of this certificate as may necessary (collectively "Offer Documents"), to the Securities and Exchange Board of India, any regulatory/ statutory authorities , stock exchanges where the Equity Shares are already listed, Registrar Of Companies, Mumbai at Maharashtra or any other authority as may be required.
11. All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

This certificate may also be relied upon by the Company, their affiliates and the legal counsel in relation to the Issue.

The above certificate shall not be used for any other purpose without our prior consent in writing and we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**Yours faithfully,  
For [●].**

**[●].  
CHARTERED ACCOUNTANTS**

**FRN: -[●].  
M.No. [●].  
UDIN: [●].  
Place: [●].  
Date: [●].**

**ANNEXURE I**

**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ZODIAC VENTURES LIMITED ('COMPANY') AND ITS SHAREHOLDERS**

**1. Under the Income Tax Act, 1961 ('Act')**

**a. Special tax benefits available to the Company under the Act**

There are no special tax benefits available to the Company.

**b. Special tax benefits available to the shareholders under the Act**

There are no special tax benefits available to the shareholders of the Company.

Notes

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares;
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law;
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25;
4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company;
5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile;
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

For [●].

[●].  
**CHARTERED ACCOUNTANTS**

FRN: -[●].  
M.No. [●].  
UDIN: [●].  
Place: [●].  
Date: [●].

**ANNEXURE II**

**STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO ZODIAC VENTURES LIMITED ('COMPANY') AND ITS SHAREHOLDERS**

- 1. Under the The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ('GST Act'), the Customs Act, 1962 ('Customs Act') and the Customs Tariff Act, 1975 ('Tariff Act') (collectively referred to as 'Indirect Tax')**

- a. Special tax benefits available to the Company under the Indirect Tax**

There are no special indirect tax benefits available to the Company.

- b. Special tax benefits available to the shareholders under the Indirect Tax**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes

1. The above statement is based upon the provisions of the specified Indirect Tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure;
2. The above statement covers only above-mentioned Indirect Tax laws benefits and does not cover any direct tax law benefits or benefit under any other law;
3. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice;
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes;

**For [●].**

**[●].  
CHARTERED ACCOUNTANTS**

**FRN: -[●].**

**M.No. [●].**

**UDIN: [●].**

**Place: [●].**

**Date: [●].**

## SECTION IV – ABOUT THE COMPANY

### INDUSTRY OVERVIEW OF REAL ESTATE BUSINESS

#### INTRODUCTION

The real estate sector is one of the most globally recognized sectors. It comprises of four sub-sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth in the corporate environment and the demand for office space as well as urban and semi-urban accommodation. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. It was also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the long term. Bengaluru was expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

#### *Advantage India*

#### 2. ROBUST DEMAND

- According to Savills India, real estate demand for data centres is expected to increase by 15-18 million sq. ft. by 2025.
- According to a Knightfrank report, India's real estate sentiment index stood at an optimistic score of 59 in the fourth quarter of 2022.
- Organised retail real estate stock is expected to increase by 28% to 82 million sq. ft. by 2023.

#### 1. INCREASING INVESTMENTS

- Driven by increasing transparency and returns, there's a surge in private investment in the sector.
- The Private Equity Investments in India's real estate sector, stood at US\$ 3.4 billion in 2022.
- FDI in the sector (including construction development & activities) stood at US\$ 55.5 billion from April 2000-December 2022.

#### 3. ATTRACTIVE OPPORTUNITIES

- Rising international real estate development is expected to provide potential growth opportunity to the Indian market. For example, an MoU signed between J&K and the Government of Dubai (in October 2021) for the development of real estate projects (such as industrial parks, IT towers and super specialty hospitals) is expected to boost growth in the union territory.
- As per ICRA estimates, Indian firms are expected to raise >Rs. 3.5 trillion (US\$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US\$ 29 billion to date.
- Private market investor, Blackstone, which has significantly invested in the Indian real estate sector (worth Rs. 3.8 lakh crore (US\$ 50 billion), is seeking to invest an additional Rs. 1.7 lakh crore (US\$ 22 billion) by 2030.

#### 4. POLICY SUPPORT

- The Government has allowed FDI of up to 100% for townships and settlements development projects.
- Under the 'Housing for All' scheme, 20 million houses are to be built by 2022, GST rate is brought down to 5%.
- In the Union Budget 2023-24, the Finance Ministry has announced a commitment of Rs. 79,000 crore (US\$ 9.64 billion) for PM Awas Yojana, which represents a 66% increase compared to the last year.



#### MARKET SIZE

By 2040, the real estate market will grow to Rs. 65,000 crore (US\$ 9.30 billion) from Rs. 12,000 crore (US\$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$



200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

India's real estate sector is expected to expand to US\$ 5.8 trillion by 2047, contributing 15.5% to the GDP from an existing share of 7.3%.

In FY23, India's residential property market witnessed with the value of home sales reaching an all-time high of Rs. 3.47 lakh crore (US\$ 42 billion), marking a robust 48% year-on-year increase. The volume of sales also exhibited a strong growth trajectory, with a 36% rise to 379,095 units sold.

Indian real estate developers operating in the country's major urban centres are poised to achieve a significant feat in 2023, with the completion of approximately 558,000 homes.

In 2023, demand for residential properties surged in the top 8 Indian cities, driven by mid-income, premium, and luxury segments despite challenges like high mortgage rates and property prices.

India's physical retail landscape is poised for a substantial boost, with nearly 41 million sq. ft of retail developments set to be operational between 2024 and 2028 across the top 7 cities, encompassing projects in various stages from construction to planning.

For the first time, gross leasing in India's top seven markets surpassed the 60 million sq. ft mark, reaching an impressive total of 62.98 million sq. ft, marking a substantial 26.4% increase compared to the previous year. Notably, the December quarter emerged as the busiest quarter on record, with gross leasing hitting 20.94 million sq. ft.

Banking, financial services, and insurance (BFSI) firms held the highest share in leasing activity at 22% during 2023, with technology companies following closely at 21%. Engineering and manufacturing (E&M) companies accounted for 15%, and flexible space operators held 14%, showcasing their notable contributions.

According to Savills India, real estate demand for data centres is expected to increase by 15-18 million sq. ft. by 2025.

In 2023, office absorption in the top seven cities stood at 41.97 million Sq. ft. and Gross Leasing Volume is at 62.98 million sq. ft.

Fresh real estate launches across India's top seven cities grabbed a 41% share in the first quarter of 2023 (January-March), marking an increase from the 26% recorded in the same period four years ago. Out of approximately 1.14 lakh units sold across the top seven cities in the first quarter of 2023, over 41% were fresh launches.

In 2021-22, the commercial space was expected to record increasing investments. For instance, in October 2021, Chintels Group announced to invest Rs. 400 crore (US\$ 53.47 million) to build a new commercial project in Gurugram, covering a 9.28 lakh square feet area. The transactions of commercial real estate doubled and reached 1.5 million sq. ft. in first quarter of 2023.

According to the Economic Times Housing Finance Summit, about three houses are built per 1,000 people per year compared with the required construction rate of five houses per 1,000 population. The current shortage of housing in urban areas is estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.



## INVESTMENTS/DEVELOPMENTS

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces.

The Private Equity Investments in India's real estate sector, stood at US\$ 4.2 billion in 2023.

The Private Equity Investments in India's real estate sector, stood at US\$ 3.4 billion in 2022.

India's real estate sector saw a three-fold increase in foreign institutional inflows, worth US\$ 26.6 billion during 2017-2022.

Exports from SEZs reached US\$ 157.2 billion in FY23 and grew ~28% from US\$ 133 billion in FY22.

In July 2021, the Securities and Exchange Board of India lowered the minimum application value for Real Estate Investment Trusts from Rs. 50,000 (US\$ 685.28) to Rs. 10,000-15,000 (US\$ 137.06 - US\$ 205.59) to make the market more accessible to small and retail investors.

Construction is the third-largest sector in terms of FDI inflow. FDI in the sector (including construction development & activities) stood at US\$ 58.5 billion from April 2000-September 2023.

Some of the major investments and developments in this sector are as follows:

- Foreign investors pump around US\$ 4 billion yearly into Indian real estate, with a 20% YoY increase in foreign inflows in 2023.
- In 2023, luxury home sales in India priced at Rs. 4 crore (US\$ 481,927) and surged by 75%, doubling their share in total housing sales.
- In India's top eight cities, housing prices rose 7% year-over-year due to strong housing demand supported by persistent purchaser demand and steady borrowing rates.
- The Indian real estate sector witnessed strong private equity (PE) investments of US\$ 1.92 billion in second quarter of 2023, demonstrating investor confidence in the market. According to the most recent Investment report from Cushman & Wakefield, this was 63% higher than the previous quarter (first quarter of 2023) and 60% higher than the same time last year.
- In July 2023, Delhi-NCR emerged as the third biggest city in the Asia Pacific in having flexible office space stock beating Beijing and Seoul, while Bengaluru retained the top spot, according to real estate consultant CBRE.

- Transactions for office spaces in April-June 2023, which totalled 14.8 million square feet, represented the highest quarterly figure recorded since first quarter 2021.
- During the first half of 2023, institutional investments in the office sector increased by 2.5 times year-on-year, reaching US\$ 2.7 million.
- In FY23, Delhi-NCR received 32% of the total private equity (PE) investment in the real estate sector.
- Sales in the luxury residential market scaled by 151% year-over-year (y-o-y) in the quarter from January-March 2023.
- Housing sales in top seven Indian cities stood at 1.14 lakh units in first quarter of 2023, an increase of over 99,500 units compared to the same period of 2022.
- In first quarter of 2023, Bengaluru, Delhi-NCR and Chennai together accounted for two-thirds of quarterly demand. At 27%, flexible workspace was the biggest contributor to demand.
- As of June 5, 2023, 119.7 lakh houses have been sanctioned and 74.75 houses have been completed and delivered to urban poor under the Pradhan Mantri Awas Yojana-Urban (PMAY-U).
- Between January-July 2022, private equity investment inflows into the real estate sector in India stood at US\$ 3.27 billion.
- Home sales across top eight cities in India surged 68% YoY to reach ~308,940 units in 2022, signifying a healthy recovery in the sector.
- Retail real estate segment attracted institutional investments of US\$ 492 million in 2022.
- In the third quarter of 2021, the Institutional real estate investment in India increased by 7% YoY. Investment registered in the first nine months of 2021 stood at US\$ 2,977 million, as against US\$ 1,534 million in the same period last year.
- In November 2021, Ascendas India bought Aurum Ventures' 16-storey commercial tower in Navi Mumbai for Rs. 353 crore (US\$ 47 million), making it the largest deal of a standalone commercial tower by a global institutional investor during the past few years.
- REA India-owned online real estate company Housing.com tied up with online legal assistance start-ups LegalKart, Lawrato, Vidhikarya and Vakil in 2021 to offer legal advice and assistance to homebuyers.
- The top three cities—Mumbai (~39%), NCR-Delhi (~19%) and Bengaluru (~19%)—attracted ~77% of the total investments recorded in the third quarter of 2021.
- India's flexible space stock was likely to expand by 10-15% YoY, from the current 36 million sq. ft., in the next three years, according to a report by CBRE.
- To establish an investment platform for the Indian retail-led mixed-use assets, in June 2021, GIC announced to acquire a minority stake in Phoenix Mills' portfolio worth US\$ 733 million.
- In May 2021, Blackstone Real Estate acquired Embassy Industrial Parks for Rs. 5,250 crore (US\$ 716.49 million) to expand its presence in the country.
- To expand into the Indian real estate market, SRAM & MRAM Group collaborated with Area CAS Developers and Infrastructure Private Limited (Area Group), and Gupta Builders and Promoters Private Limited (GBP Group) of India. It plans to invest US\$ 100 million in the real estate sector.

- According to Anarock, housing sales in seven cities increased by 29% and new launches by 51% in fourth quarter FY21 over fourth quarter FY20.
- Private market investor, Blackstone, which has significantly invested in the Indian real estate sector worth Rs. 3.8 lakh crore (US\$ 50 billion) is seeking to invest an additional Rs. 1.7 lakh crore (US\$ 22 billion) by 2030.
- In 2021, working remotely was being adopted at a fast pace and demand for affordable houses with ticket size below Rs. 40-50 lakh was expected to rise in Tier 2 and 3 cities, leading to an increase in prices in those geographies.
- In April 2021, HDFC Capital Advisors (HDFC Capital) partnered with Cerberus Capital Management (Cerberus) to create a platform that will focus on high-yield opportunities in the residential real estate sector in India. The platform seeks to purchase inventory and provide last-mile funding for under construction residential projects across the country.
- In March 2021, Godrej Properties announced it would launch 10 new real estate projects in fourth quarter.
- In March 2021, Godrej Properties increased its equity stake in Godrej Realty from 51% to 100% by acquiring equity shares from HDFC Venture Trustee Company.
- In January 2021, SOBHA Limited's wholly owned subsidiary, SabhaHighrise Ventures Pvt. Ltd. acquired 100% share in Annalakshmi Land Developers Pvt. Ltd.

#### **.GOVERNMENT INITIATIVES**

Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. Below are some of the other major Government initiatives:

- In the 2024-25 interim Budget, Finance Minister Nirmala Sitharaman announced a boost for India's affordable housing sector by adding 2 crores more houses to the flagship scheme PMAY-U.
- In the Union Budget 2023-24, the Finance Ministry announced a commitment of Rs. 79,000 crore (US\$ 9.64 billion) for PM AwasYojana, which represents a 66% increase compared to last year.
- In October 2021, the RBI announced to keep benchmark interest rate unchanged at 4%, giving a major boost to the real estate sector in the country. The low home loan interest rates regime was expected to drive the housing demand and increase sales by 35-40% in the festive season in 2021.
- Under Union Budget 2021-22, tax deduction up to Rs. 1.5 lakh (US\$ 2,069.89) on interest on housing loan, and tax holiday for affordable housing projects have been extended until the end of fiscal 2021-22.
- The Atmanirbhar Bharat 3.0 package announced by Finance Minister Ms.NirmalaSitharaman in November 2020 included income tax relief measures for real estate developers and homebuyers for primary purchase/sale of residential units of value up to Rs. 2 crore (US\$ 271,450.60) from November 12, 2020, to June 30, 2021).
- In order to revive around 1,600 stalled housing projects across top cities in the country, the Union Cabinet approved the setting up of Rs. 25,000 crore (US\$ 3.58 billion) alternative investment fund (AIF).
- Government created an Affordable Housing Fund (AHF) in the National Housing Bank (NHB) with an initial corpus of Rs. 10,000 crore (US\$ 1.43 billion) using priority sector lending short fall of banks/financial institutions for micro financing of the HFCs.

- As of December 31, 2022, India had formally approved 425 SEZs, and as of January 2023, 270 SEZs are operational. Most special economic zones (SEZs) are in the IT/ BPM sector.

## ROAD AHEAD

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market. It would create an opportunity worth Rs. 1.25 trillion (US\$ 19.65 billion) in the Indian market in the coming years. Responding to an increasingly well-informed consumer base and bearing in mind the aspect of globalization, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family-owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralized processes to source material and organize manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The residential sector was expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious PradhanMantriAwasYojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space.



The current shortage of housing in urban areas was estimated to be ~10 million units. An additional 25 million units of affordable housing are required by 2030 to meet the growth in the country's urban population.

The growing flow of FDI in Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards. Indian real estate was expected to attract a substantial amount of FDI with US\$ 8 billion capital infusion by FY22.

**References:** Media Reports, Press releases, Knight Frank India, VCEdge, JLL Research, CREDAI-JL, Union Budget 2021-22, Union Budget 2023-24

**Note:** Conversion rate used in March 2024, Rs. 1 = US\$ 0.012

Source: <https://www.ibef.org/industry/real-estate-india>

## BUSINESS OVERVIEW

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the Twelve-month period ended March 31 of that year.*

*You should carefully consider all the information in this Letter of Offer, including, “Risk Factors”, “Industry Overview”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition” beginning on pages 28, 64, 73 and 155 respectively, before making an investment in the Equity Shares.*

*In this section, any reference to the “Company” “we”, “us” or “our” refers to Zodiac Ventures Limited.*

### OVERVIEW

Our Company is in the business of developing real estate projects in the residential space

We are a public company listed on the Bombay Stock Exchange (BSE: 503641). Established in 1981 in Mumbai, Zodiac Ventures Limited, its Promoters and its associates are engaged in the business of developing real estate projects in the residential space. The key focus area of the business has been the redevelopment of slum areas, cessed buildings, housing societies or old buildings belonging to the MCGM.

We are backed by promoters Mr. Ramesh Shah and Mr. Jimit Shah who are also the promoters of the Associate company Zodiac Developers Private Limited in which the Company holds a 42.81% stake. They have combined experience of 35 years in the Indian real estate market.

We acquire and develop land that has locational advantages and are reasonably priced. In developing these properties, they place an emphasis on architecture, infrastructure, raw materials and facilities and seek to apply aesthetic design techniques to make the optimum use of available space.

### Business Operations and our Projects

Our business operations include development of real estate projects in the Residential, Commercial, Plotting residential segment comprising apartment-type complexes, villas, Commercial complex and Plotting Scheme largely catering to the premium customers and acquisition/operate luxurious properties

“**Completed Projects**” are those projects where the Company and/or subsidiaries of the Company and/or associates/joint ventures of the Company (as applicable) have completed development; and in respect of which the occupancy/completion certificate, as applicable, has been obtained

“**Ongoing Projects**” are those projects in respect of which (i) all title or development rights, or other interest in the land is held either directly or indirectly by the Company/subsidiaries of the Company/associates/joint ventures of the Company (as applicable); (ii) development work is ongoing/started; and (iii) the requisite approvals for commencement of development have been obtained and/ or under the process of obtaining the requisite approvals for commencement of development.

**Completed Projects:**

ProjectName	Type of Project and Year of Completion	Location	Development Mode	Developed / Sold Area (In Sq. Meter.)	Number of House / Commercial
JUPITER	Residential	Vile Parle (E), Mumbai	Owned	7,517 sq.ft.	Floors: 7   Units: 14
VENUS	Residential	Vile Parle (E)	Owned	9,478 sq.ft.	Floors: 7   Units: 14
KUSHINARA	Residential	Bandra (W), Mumbai	Owned	42,718 sq.ft.	<b>Floors: 15   Units: 30</b>
JUHU DIAMOND	Residential	Juhu, Mumbai	Owned	55,900 sq.ft.	Floors: 13   Units: 190
MERCURY	Commercial	Bandra (E), Mumbai	Owned	6,556 sq.ft.	Floors: 7   Units: 7

**OngoingProjects:**

ANJANESHWAR SOCIETY	
Description	Proposed Redevelopment of Existing Building of Anjaneshwar CHS Ltd. on Plot No. 47 bearing C.T.S. No. 510, at Tejpal Scheme Road No. 3 of Village Vile Parle at Vile Parle (East), Mumbai – 400 057
Landmark	Tejpal Scheme, Vile Parle (East)
Google Maps	<a href="https://goo.gl/maps/g4tJtWmd33YJgca6">https://goo.gl/maps/g4tJtWmd33YJgca6</a>
Area	Land adm. 445.54 sq.m.
Type	Society Redevelopment
Configuration	Triple Basement + Stilt + 7 Upper Floors
Approvals	Intimation of Disapproval and Commencement Certificate for building received
Status	Construction up to 4 <sup>th</sup> Slab completed
Rehab FSI	628.83 sq.m. (6769 sq.ft.)
Rehab Units	11 Society Members Flats

Sale FSI	1267.42 sq.m. (13643 sq.ft.)
Sale Units	19 Free Sale Flats
Configuration	RERA Carpet area of 1 BHK Flat adm. approx. 460 sq.ft. and 2 BHK Flat adm. approx. 740-770 sq.ft. each
Common Amenities	Fitness Center adm. 404 sq.ft. on Stilt Level
Parking	34 Parking Spaces in Automatic Mechanized Parking System

**GURUCHHAYA SOCIETY**

Description	Proposed Redevelopment of Existing Building of Shri Guruchhaya CHS Ltd. on Plot No. 51 and 52 bearing CTS No. 514, 514/1 to 514/6 and 515, 515/1 to 515/5, at Tejpal Scheme Road No. 3 of Village Vile Parle at Vile Parle (East), Mumbai – 400 057
Landmark	Tejpal Scheme, Vile Parle (East)
Google Maps	<a href="https://goo.gl/maps/KpaoSvnZCyz8KczPA">https://goo.gl/maps/KpaoSvnZCyz8KczPA</a>
Area	Land adm. 940.71 sq.m.
Type	Society Redevelopment
Configuration	Triple Basement + Stilt + 7 Upper Floors
Approvals	Pre - Intimation of Approval
Rehab FSI	843.13 sq.m. (9075 sq.ft.)
Rehab Units	11 Society Members Flats
Sale FSI	3884.74 sq.m. (41815 sq.ft.)
Sale Units	49 Free Sale Flats
Configuration	1/2/3 BHK Flats adm. approx. carpet area 468 - 1180 sq.ft. each



Common Amenities	Fitness Center adm. 924 sq.ft. on Stilt Level
Parking	62 Parking Spaces in Automatic Mechanized Parking System

## OUR COMPETITIVE STRENGTHS

### 1. Experienced Management Team:

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. They are having an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our management have been instrumental in driving our growth and implementing our strategies. We believe that the experience of our management team and its in-depth understanding of the real estate market in the region will enable us to continue to take advantage of both current and future market opportunities.

### 2. Slum Rehabilitation

Developing projects under a scheme launched by the Government of Maharashtra for the rehabilitation of slum areas by introducing an innovative concept of using land as a resource and allowing incentive floor space index (FSI) in the form of residential premises for sale in the open market, for cross-subsidization of the slum rehabilitation tenements which are to be provided free to the slum-dwellers.

### 3. Society and Landlord/Tenanted Structure Redevelopment

Executing redevelopment projects by demolishing existing old building occupied by society members or landlords and tenants and reconstructing it and handover new flats to the society members free of cost with some additional benefits and making a profit by utilizing balance plot potential by constructing additional free sale residential premises.

### 4. Scalable Business Model

We believe that our business model is scalable. Our Business model is customer centric, and requires optimum utilization of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets both domestic and international by exploring customer needs and by maintaining the consistent quality output.

### 5. Rich and diversified customer base

We have rich and diversified customers and is segmented by large enterprises as well as small and medium businesses (SMBs) based on the adoption of SaaS delivery model in different size organizations in various verticals based on the Industry includes, Retail, Banking Financial Services and Insurance (BFSI), Telecom Media and Technology (TMT), healthcare, discrete manufacturing, travel and hospitality, utilities (energy and power, oil and gas, water management, etc.) and others, including education.

### 6. MCGM / MHADA Land Redevelopment

Redevelopment by demolishing existing buildings occupied by tenants on land belonging to MCGM or MHADA and reconstructing it and handover new flats to the tenants free of and make a profit by utilizing balance plot potential by constructing additional free sale residential premises.

**7.Real Estate Consultancy:**

The Company also provides architectural, technical, design and planning consultancy for various real estate and infrastructure projects.

**OUR STRATEGIES**

We strive for complete transparency and satisfaction of our clients with an unwavering thrust and focus on professional excellence and integrity. Our key strategic initiatives are described below:

**1. Increase geographical presence**

Over the last several years, Zodiac has undertaken the development of several projects in different areas of Mumbai. These include redevelopment projects and SRA projects in areas such as Vile Parle, Bandra, Andheri, Juhu and Byculla. Further, the company has a good presence in the suburbs of Mumbai, especially in the Western Suburbs. The company is in the process of executing its existing projects and acquiring new lucrative projects to continue the strategic growth of the company. The company is also looking to diversify into new business avenues such as the development of Agro-Processing Clusters also known as Food Parks

**2. Competitive Pricing**

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the competition and claim a position of strength in the marketplace.

**3. Attracting and retaining the highest quality professionals**

In our industry People are the most valuable asset of the company and the reputation of the company will be built up by the management team. The dedication of the employees, professional skill, integrity and technical analytical mind results in success and growth of business. The well informed, technically and professionally qualified employee will help the clients to take correct decision and thereby we can retain the clients and increase our clientele through mouth publicity of our company. We intend to continue to seek out talent to further enhance and grow our business.

**PROPERTY**

The following table sets forth the location and other details of the leasehold properties of our Company:

Description of Property	Name of Licensor	Agreement Date, Lease Date	Period
205-C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vile Parle (West), Mumbai 400049	Mr. Jimit Ramesh Shah	May 31, 2024	5 years

**Intellectual Property**

Our Company do not own any intellectual property including trademark.

**Manpower**

Our Company is committed towards creating an organization that nurtures talent. We provide our employees an open atmosphere with a continuous learning platform that recognizes meritorious performance.

The following is a department-wise break-up of our employees as on March 31, 2024 do not have any outstanding export obligations.

Sr. No.	Category	Total
1	Management	5
2	Others	3
	Total	8

### OUR FINANCIAL PERFORMANCE

Particulars	Financial Statements for the Financial Year ending			
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Equity Share Capital	3,75,90,000	3,72,90,000	3,72,90,000	3,72,90,000
Net Worth	14,44,64,257	8,51,67,778	5,66,48,508	11,19,58,694
Total Income	83,25,773	1,33,16,479	79,77,624	20,00,000
Profit / (loss) after tax	38,77,978	97,11,270	(55,30,185)	(2,00,003)
Basic and diluted EPS	1.44	0.26	(1.48)	(0.01)
Total borrowings	21,96,32,778	15,11,82,056	1,15,78,219	4,56,09,451

### MAIN OBJECTS OF OUR COMPANY AS PER MOA

#### A. MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION

1. To carry on the business of builders, constructors, developers, architects, contractors and sub contractors in the field of Civil, engineering, infrastructure, power, irrigation, water supply, oil & gas pipeline, bridges, flyovers, roads, dams, tunnels, metros, houses, lands, buildings, sheds, slum rehabilitations, urban developments or any other property and developers of modern multi-dimensional residential township, commercial complexes, and providers of hitechinfrastructural facilities, telecommunication facilities including but not limited to optical fiber telephone exchanges, earth-stations, bandwidth data communication facilities, power, roads, water and drainage systems;

2. To build, construct, commercialize, convert, develop, design, demolish, deal, erect, establish, fabricate, finance, furnish, hire, improve, lease, license, manage, maintain, repair, remodel, recondition, renovate and sell Hotels, Taverns, Restaurants, Food Courts, Cafeterias, Bars, Resorts, Refreshment Rooms, Boarding and Lodging, House Keepers, Motels, Guesthouses, Clubs, Shopping Malls, Theatres and Cinemas, Entertainment and Sports Complex, Entertainment Multiplexes, Places of amusement recreations, Amusement parks, Recreation Centers, Pubs, Discotheques, Swimming Pools, Fitness and Health clubs, Banquet halls, Marriage halls, Hospitals, Schools, Super markets, Hyper markets, Departmental stores, Places of worship, Highways, Roads, Paths, Streets, Sideways, Courts, Alleys, Pavements, Bridges, land and to do othersimilar construction, leveling or paving work, and for these purposes to purchase, take on leases, or otherwise acquire and hold any lands and prepare layout thereon or buildings of any tenure or description wherever situate and to do the business of real estate developers, construction and estate agents, property dealers and to carry out such other related activities in India or any other part of the World.

3. to construct, execute, carry out, equip, support, maintain, operate, improve, work, develop, administer, manage, control and superintend within or outside the country or any where in the world all kinds of works,

public or otherwise, buildings, houses and other constructions or conveniences of all kinds, which expression in this memorandum includes roads, railways, and tramways, docks, harbors, Piers, wharves, canals, serial runways and hangers, airports, reservoirs, embankments, irrigations, reclamation, improvements, sewage, sanitary, water, gas, electronic light, Telephonic, telegraphic and power supply works and hotels, cold storages, warehouses, public and other buildings and all other works and conveniences of public or private utility, to apply for purchase or otherwise acquire any contracts, decrease, concessions, for or in relation to the construction, execution, carrying out equipment, improvement, administration or control of all such works and conveniences as aforesaid and to undertake, execute, carry out, dispose of or otherwise turn to account the same;

4. to construct, purchase, develop or otherwise acquire, foreclose, purchase on auction, hire, lease, sell or sell on hire purchase system any buildings, houses, bungalows, factories, sheds, recreational clubs and facilities including golf course, sports and social clubs, trade premises, plant, machinery, public buildings, lands, farms, or any other kind of asset, estate or property (movable or immovable rights) or chose in auction and to carry on the business as proprietors, developers, builders, managers, operators, hirers and dealers of land and all kinds of movable and immovable properties.

5. To carry on business and run consultancy services including architectural and technical service in layouts, plans, blue prints, designs for the purpose of construction and building of houses, bungalows, residential apartments, hotels, holiday resorts, motels, factories, commercial premises, gardens, dams, canals, bridges, civil works, townships, tenements, housing schemes, co-operative societies, hospitals and nursing homes.

#### CHANGES IN MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since inception:

Sr. No.	Particulars	Date of Meeting
1.	The authorised share capital of the Company was subsequently increased to Rs. 2, 00, 00,000/- divided into 20, 00,000 Equity Shares of Rs. 10 each by shareholders' resolution dated November 30, 2006	November 30, 2006
2.	Subsequently the authorised share capital of the Company was increased to Rs. 15, 00, 00,000/- divided in 1, 50, 00,000 Equity Shares of Rs. 10 each by shareholders' resolution dated May 14, 2010.	May 14, 2010.
3.	Alteration of Main Objects Clause - The Main Objects Clause of the MoA was amended by insertion of new Part A with respect to Objects Clause III	May 14, 2010
4.	The authorised share capital was further increased to Rs. 20,00,00,000/- divided into 2,00,00,000 Equity Shares of Rs. 10 each by the shareholders vide Postal Ballot on December 10, 2010.	December 10, 2010
5.	The authorised share capital of the Company is Rs. 20,00,00,000/- divided into 20,00,00,000 Equity shares of Re. 1 each, by shareholders' resolution dated August 4, 2014	August 4, 2014

## OUR MANAGEMENT

## BOARD OF DIRECTORS

As on date of this Draft Letter of Offer, our Company currently has 5 (Five) Directors on its Board, of which 2 (Two) are Independent Directors. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations, to the extent applicable.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Letter of Offer:

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other directorships
<p><b>MR. JIMIT R SHAH</b></p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> 8/9,505, Jupiter CHS LTD Swami Nayan Mandir Road,Vile Parle East Mumbai,Maharashtra 400057</p> <p><i>Occupation:</i> Business</p> <p><i>Current Term:</i> Appointed for a period of Five consecutive years</p> <p><i>Date of Appointment</i> Since May 21, 2010</p> <p><i>Nationality:</i> Indian;</p> <p><i>Date of Birth:</i> January 26, 1982</p> <p><i>DIN:</i> 01580796</p>	42 years	<p>1.Mumbai Mega Foodpark Private Limited</p> <p>2.Zodiac Developers India Private Limited</p> <p>3.Zodiac Developers Private Limited</p>
<p><b>MR.RAMESH VIRJI SHAH</b></p> <p><i>Designation</i> Chairman and Whole-Time Director</p> <p><i>Address</i> 8/9, 505 Jupiter, Swami Narayan Mandir Road, Off Azad Road, Ville Parle (East), Mumbai- 400 057</p> <p><i>Occupation</i> Business</p> <p><i>Current Term</i> Liable to retire by rotation</p> <p><i>Date of Appointment</i> Since May 21, 2010</p> <p><i>Nationality</i> Indian</p> <p><i>Date of Birth</i> April 05, 1960</p> <p><i>DIN</i> 01580767</p>	64Years	<p>i. Zodiac Developers India Private Limited</p> <p>ii. Zodiac Developers Private Limited</p> <p>iii. Zodiac Capital Pvt Ltd.</p>
		NIL

<b>MRS. SUNITA JIMIT SHAH</b>		46 years	
<i>Designation</i>	Non - Executive Director		
<i>Address</i>	8/9, 505 Jupiter, Swami Narayan Mandir Road, Off Azad Road, Ville Parle (East), Mumbai- 400 057		
<i>Occupation</i>	Business		
<i>Current Term</i>	Liabile to retire by rotation		
<i>Date of Appointment</i>	Since November 02, 2010;		
<i>Nationality</i>	Indian		
<i>Date of Birth</i>	April 14, 1978		
<i>DIN</i>	03099290		
<b>MR.SAHIL DEEPAK VISARIA</b>		32 years	1.Zodiac Developers Private Limited
<i>Designation</i>	Non-Executive - Independent Director		
<i>Address</i>	401,Fairy Manor, 4 <sup>th</sup> Floor,13Rustom Sidhwa Marg ,Opp Fire Brigade Station, Fort ,Mumbai G.P.O,Maharashtra 400001		
<i>Occupation</i>	Business		
<i>Current Term</i>	Appointment for 5 years		
<i>Date of Appointment</i>	Since October 23, 2020		
<i>Nationality</i>	Indian		
<i>Date of Birth</i>	September 10, 1992		
<i>DIN</i>	08927504		
<b>MRS.HIMANSHI NILESH SHAH</b>		45 years	1.Zodiac Developers Private Limited
<i>Designation</i>	Non-Executive - Independent Director		
<i>Address</i>	Plot 73 1/A,Ravikiran Jay Prakash Nagar Road No.5 Near Nanadadeep High School Goregaon East ,Mumbai 400063.		
<i>Occupation</i>	Teacher		
<i>Current Term</i>	Appointment for 5 years		
<i>Date of Appointment</i>	Since April 01, 2024		
<i>Nationality</i>	Indian		
<i>Date of Birth</i>	December 09, 1979		
<i>DIN</i>	10564211		

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#### Past Directorships in suspended companies

None of our Directors are, or were a director of any listed company, whose shares have been, or were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

#### Past Directorships in delisted companies

Further, none of our Directors are or were a director of any listed company, which has been, or was delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.

#### Relationship between Directors

Mr. Ramesh Shah is the father of Mr. Jimit Shah and the father-in-law of Ms. Sunita Shah. Mr. Jimit Shah is the son of Mr. Ramesh Shah and the husband of Ms. Sunita Shah. Ms. Sunita Shah is the wife of Mr. Jimit Shah and the daughter-in-law of Mr. Ramesh Shah.

#### Arrangement or understanding with major Shareholders, customers, suppliers or others

Our Company has not entered into any arrangement or understanding with major shareholders, customers, suppliers, or others pursuant to which any of the above-mentioned directors have been appointed in the Board.

#### Details of service contracts entered with Directors

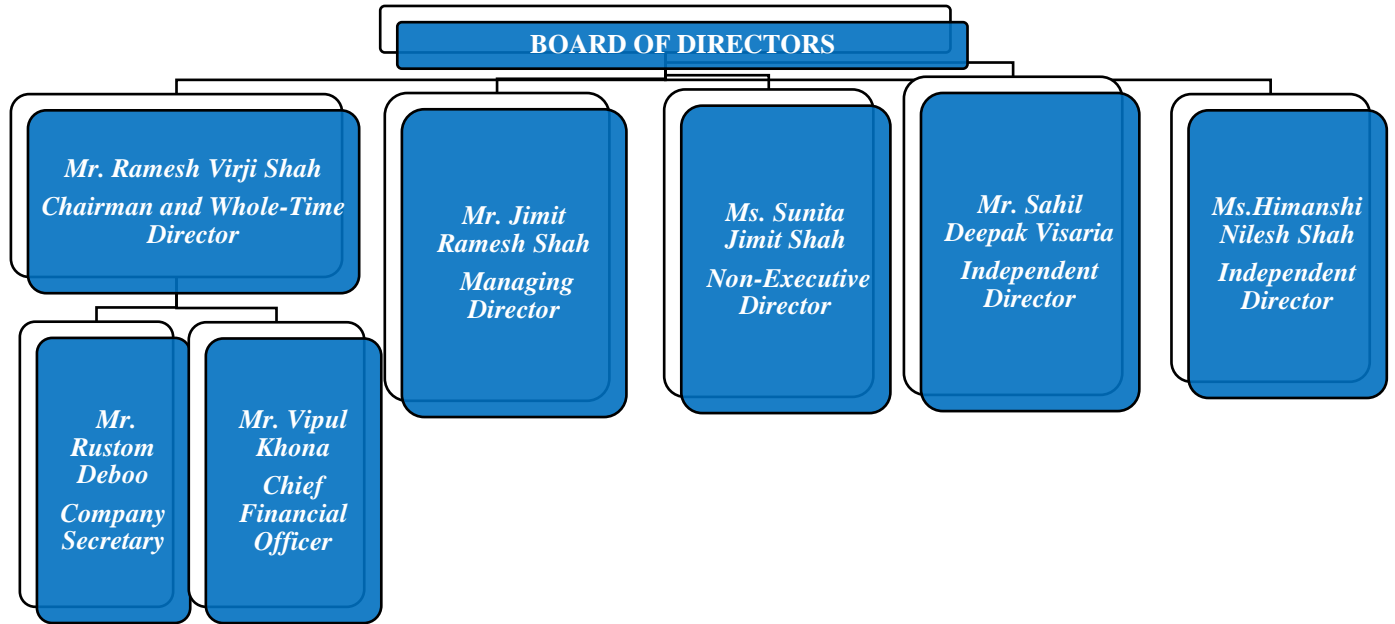
Our Company has not entered into any service contracts with the present Board of Directors for providing benefits upon termination of employment.

### KEY MANAGERIAL PERSONNEL

Status of Key Managerial Personnel		Age (Years)
<b>MR. VIPUL R KHONA</b>		
<i>Designation</i>	Chief Financial Officer	59 years
<i>Address</i>	B/11-12, Dev Bhuvan, Cama Lane, Ghatkopar (West), Mumbai 400086.	
<i>Date of Appointment</i>	August 1, 2010	
<i>Nationality</i>	Indian;	
<i>Educational Qualification</i>	B.E. Computers	
Mr. Rustom Deboo		
<i>Designation</i>	Company Secretary and Compliance Officer;	

Status of Key Managerial Personnel		Age (Years)
Address	Queens Chambers, Flat No. 1, 6th Flr., 89 M. Karve Road, Marine Lines, Mumbai 400020	
<i>Date of Appointment</i>	27th December 2019	
<i>Nationality</i>	Indian;	
<i>Educational Qualification</i>	Company Secretary;	





**SECTION V: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Number</b>
1.	Audited Financial Statements of our Company as at and for the financial year ended March 31, 2024	83- 143
2.	Unaudited Financial Statements of our Company as at and for the quarter year ended September 30, 2024	144-152

**Material changes and commitments, if any, affecting our financial position**

There are no material changes and commitments, which are likely to affect our financial position since March 31, 2024 till date of this Letter of Offer. We have not given Restated Financials because we fall under Part B of SEBI (ICDR), 2018.

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**INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS 2024  
INDEPENDENT AUDITOR'S REPORT**

The Members,  
Zodiac Ventures Limited.

Report on the Standalone Financial Statements

### **Opinion**

We have audited the accompanying standalone financial statements of Zodiac Ventures Limited (“the Company”), which comprise the balance sheet as at 31st March 2024, the statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.(hereinafter referred as “Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet of the state of affairs (Financial Position) of the Company as at March 31, 2024,
- b) In the case of the Statement of Profit and Loss, of the Profit (Financial Performance including comprehensive Income) of the Company for the year ended on that date;
- c) In the case of Statement of Cash Flow, of the cash flows and changes in equity of the company for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 Ind AS financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS financial statements.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 the matters

described below to be the key audit matters to be communicated in our report .Except for the matters described in the Basis for qualified opinion paragraph and emphasis of the matter, we have determined that there are no other key audit matters to communicate in our report.

### **Emphasis of Matter**

We draw your attention that Zodiac Developers Pvt. Ltd (ZDPL), which was the subsidiary of the company last year and now having controlling interest in the associate company, is engaged in real estate business. There are several litigations involved in

the Hanuman Nagar Project of the said associate Company. There is a dispute with the Joint Developer in the Project. During 2020-21, the arbitration award dated 15th October 2020 has been received for the Hanuman Nagar Project. But the Associate Company has an order from the SRA which contradicts the arbitration award and definitely has more weightage in relative terms. An application under Section 34 of the Arbitration and Conciliation Act 1996 has been filed in the Bombay High Court and the Associate Company is confident of winning the same. In the said application, the Company has obtained a stay order from the Bombay High Court against the execution of the said arbitration award. Accordingly, management is of the opinion that the amount incurred on the project stands good and recoverable along with sizable profits. The construction activity has again resumed for Sale Building No. 7. Further, Company’s flagship said Sale Building No. 7 has now been christened as 45-Juhu Residency and the Company has received part Occupation Certificate up to the 9th habitable floor. Accordingly, the company

visualizes sales proceeds, recovery of balance payments on flats sold and also new sales to occur which will improve the Cash Flow.

We draw your attention and state that Zodiac Developers Pvt. Ltd (ZDPL), an Associate company is having a Commercial dispute with Mr. Abhishek Jhaveri and two or for refund of Rs. 2,90,00,000/- towards the advance payments given against purchase of Residential Flat in Hanuman Nagar Project and has received prohibitory Order from Bombay High Court

Protho Notary for recovery of Rs. 2.90 Crs. And accordingly, the consent terms were filed by both the parties. However, the party has filed the Contempt petition before the Bombay High Court and got the Order of attachment of two bank accounts of ZDPL, an Associate Company. The Company has opposed the same and is in the process of reaching a settlement and paying the balance amount due and has also sought the Court's permission to release the attachment on Bank Accounts. We draw your attention and state that Zodiac Developers Pvt. Ltd (ZDPL), an Associate company, had advanced a sum of Rs. 8,75,00,000/- to Akshar Group in the F.Y. 2017-18. The Associate Company was informed by Akshar Group that they intend to forfeit the entire amount of Rs. 8.75,00,000/- citing breach of contract and default in our obligations to them. The dispute had arisen and there is no improvement in the situation. The Associate Company intends to pursue legal recourse to recover this amount and is confident that the same will be recovered but, the case is yet to be filed. The matter is vexed and the Associate Company is playing a balancing act to safeguard its interest.

#### **Effects of COVID-19**

We draw further attention on the uncertainties and the impact of COVID-19 pandemic on the Company's operations and financial statements as assessed by the Management. The actual impact may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter.

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

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

In preparing the Ind AS 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Information other than the financial statements and auditors' report thereon**

The Company's Management and board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the Ind AS financial statements and our auditor's report there on.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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 and based on the work done/audit report of other auditors, 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.

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

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management and Board of Directors.
4. Conclude on the appropriateness of Management and the Board of Directors' 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 ability of the Company 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 Ind AS 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.
5. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Ind AS 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Report on Other Legal and Regulatory Requirements

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

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

a) We have 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 Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements, Statement of Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

g) With respect to adequacy of internal financial control over financial reporting of the company with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

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:

(i) The Company does not have any pending litigations which would impact its financial position.

(ii) According to information and explanation given to us, the Company did not have any long-term Contracts including derivatives contracts for which there were any material foreseeable losses.

(iii) The Company yet to transfer Unpaid Dividend of Rs. 157/- pertaining to F.Y. 2015-16 to the Investor Education and Protection Fund.

(iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and;

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For NAVIN NISHAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO-116503W  
Sd/-  
CA. NAVIN K. NISHAR  
PROPRIETOR  
M. No. 101443  
UDIN. No.: 24101443BKHKDI9499

Place : Mumbai  
Date: 17th May, 2024.

#### **Annexure “A” to the Independent Auditors' Report- 31st March,2024**

The Annexure referred to in paragraph 1 under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Zodiac Ventures Limited on the financial statements for the year ended 31st March, 2024, we report that:

##### **i. In respect of Property, plant, equipment and Intangible assets;**

a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant, equipment and intangible assets.

b. As per the information and explanation given to us and records examined by us, all the assets have been physically verified by the management at regular interval which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c. As per the information and explanation given to us and records examined by us, title of all immovable property are held in the name of the company.

d. According to the records examined by us, the Company has not revalued its Property, Plant and Equipment(including Right of Use of assets) or intangible assets or both during the year. Accordingly, the provisions of clause 3(i) (d) of the Order are not applicable.

e. According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act,1988 (as amended in 2016) and rules made there under. Accordingly, the provisions of clause 3(i) (e) of the Order are not applicable

**ii. In respect of inventories;**

a. As per the information and explanation given to us and records examined by us, the Company is engaged in construction activities and inventories is in the form of Construction-WIP and therefore, physical verification of inventories has been difficult by the management.

b. As per the information and explanation given to us and records examined by us, during any point of time of the year, the company has been sanctioned working capital limits in the form of Overdraft on Reducing DP of Rs. 28Crore rupees, in aggregate, from banks or financial institutions on the basis of security of Residential Flats of Promoters and Corporate Guarantee of Zodiac Developers Private Limited, current assets, etc in March 2024 only.

In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (Trade receivables outstanding at quarter end, quarterly cash flows and other stipulated financial Information) to be filed by the Company with such banks in the subsequent years and hence reporting under clause

3(ii)(b) of the Order is not applicable.

iii. As per the information and explanation given to us and records examined by us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in the register maintained under Section 189 of the Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b), (c),(d), (e) and (f) of the Order are not applicable to the Company.

iv. The Company has not given loans, made investments, given guarantees and provided securities covered by section 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits during the year, within the meaning of sections 73 to 76 of the Act or directives issued by Reserve Bank of India or any other relevant provisions of the Act and the rules framed there under and therefore, clause (v) of the Order is not applicable to the Company. No order has been passed by Company Law Board or National Company Law Tribunal or ReserveBank of India or any court or any other tribunal against the company.

vi. According to the information given to us, Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Therefore, provisions of Clause 3(vi) of the Order are not applicable to the Company.

vii. In respect of statutory dues;



a. As per information and explanations given to us and records examined by us, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Profession Tax, Sales Tax, Goods and Services Tax, Service Tax, Value added Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities. Further, there are no undisputed amounts payable in respect of Income-Tax, Goods and Services Tax, Sales Tax, Value added tax, Service Tax, Customs Duty, Excise Duty and Cess \which were in arrears, as at 31st March, 2024 for a period of more than six months from the date they became payable.

**b. According to the records of the company, the dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, goods and services tax and cess which have not been deposited on account of any dispute, are as follows:**

Name of statute	Nature of dues	Year(s) to which it pertains	Amount Not Paid (Rs. in Lacs)	Forum where dispute is pending
Income Tax Act,1961	Income Tax Demand	2016-17	19,29,638/-	Commissioner Of Income Tax (Appeals)
Income Tax Act,1961	Income Tax Demand	2017-18	5,56,271/-	Commissioner Of Income Tax (Appeals)
Income Tax Act,1961	Income Tax Demand	2018-19	18,563/-	Commissioner Of Income Tax (Appeals)

viii. According to the information and explanations given by the management and records examined by us there are no transactions which are not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable

ix. In respect of loans or other borrowings taken by the Company, according to the information and Explanation given to us and audit procedures performed by us:

(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 willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the order is not applicable.

(d) According to the information and explanations given by the management and records examined by us, funds raised on short-term basis have not been utilized for long term purposes by the Company.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates. Accordingly, the provisions of clause 3(ix) (e) of the Order are not applicable.

(f) According to the information and explanations given by the management and records examined by us, company has not raised any loans during the year on the pledge of the securities held in it's subsidiaries or joint ventures or associate companies. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable

x. (a) In our opinion and according to the information and explanations provided by the management, no money has been raised by way of initial public offer or further public offer (including debt instruments );

(b)In our opinion and according to the information and explanations provided by the management, during the year under review, the Company has not issued and allotted through preferential allotment or private placement basis any shares/ convertible debentures (fully, partially, or optionally convertible), convertible warrants; and therefore, the requirements of section 42 and section 62 of the Companies Act, 2013 does not apply.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company, or any fraud on the Company by its officers or employees has been noticed or reported during the year, nor we have been informed of such case by the management.

(b) In our opinion and according to the information and explanations given to us, No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government.

(c) According to the information and explanations given by the management and records examined by us, no whistle blower complaints have been received during the year.

xii. The Company is not a Nidhi Company. Therefore clause 3(xii)(a)(b)(c) of the aforesaid Order is not applicable to the company.

xiii. In our opinion and according to the information and explanations given to us, in respect of related party transactions, the Company has complied with Section 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b)The company has not appointed an internal auditor as required in accordance with provisions of Companies Act, 2013, but has an adequate internal audit system.

xv. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013. Accordingly, clause (xv) of the Order is not applicable.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, provisions of clause 3 (xvi) (a), (b) and (c) of the Order are not applicable.

d) According to the information and explanations given to us, there are no Core Investment Company (CIC) within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3 (xvi) (d) of the Order are not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and also had in curred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditors during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the director's report, management discussion and analysis forming part of the annual report of the company; and as per our knowledge of the Board of Directors' and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In respect of Corporate Social Responsibility, according to the information and explanations given to us and audit procedures performed by us:

a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, provisions of clause 3 (xx) (a) of the Order are not applicable.

b) There are no ongoing CSR projects under sub-section (6) of section 135 of the said Act. Accordingly, provisions of clause 3 (xx) (b) of the Order are not applicable.

xxi. There have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For NAVIN NISHAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO-116503W  
Sd/-  
CA. NAVIN K. NISHAR  
PROPRIETOR  
M. No. 101443  
UDIN. No.: 24101443BKHKDI9499**

**Place : Mumbai  
Date: 17th May, 2024**

### **“ANNEXURE B” to the Independent Auditor's Report**

(Referred to in paragraph 2(g) under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Zodiac Ventures Limited of even date)

Report on the Internal Financial Controls to the aforesaid standalone financial statement under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of ZODIAC VENTURES LIMITED (“the Company”) as of 31st March, 2024 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors’ Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 Auditors’ judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March, 2024, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NAVIN NISHAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO-116503W  
Sd/-  
CA. NAVIN K. NISHAR  
PROPRIETOR  
M. No. 101443

Place : Mumbai  
Date: 17th May, 2024  
24101443BKHKDI9499

UDIN. No.:

**ZODIAC VENTURES LIMITED**  
**STANDALONE BALANCE SHEET AS AT 31.03 2024.**

CIN:- L45209MH1981PLC023923

		Rs. In Lacs	
Particulars	Note No.	As at 31/03/2024	As at 31/03/2023
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Property, Plant and Equipment and Intangible Assets</b>			
(i) Property, Plant and Equipment	2.01	11.11	4.26
(ii) Intangible Assets		-	-
<b>(b) Financial Assets</b>			
(i) Investments	2.02	2,110.37	1,612.57
(ii) Other Financial Assets	2.03	50.95	8.58
(iii) Deferred tax assets (net)	2.04	0.24	0.09
<b>(c) Non-Current Tax Assets (Net)</b>	2.05	2.98	14.66
<b>(d) Other Non Current Assets</b>			
<b>Total Non Current Assets</b>		<b>2,175.66</b>	<b>1,640.16</b>
<b>(2) Current Assets</b>			
<b>(a) Inventories</b>	2.06	838.37	240.20
<b>(b) Financial Assets</b>			
Investments		-	-
Trade Receivables	2.07	3.00	128.38
Cash and Cash Equivalents	2.08	259.48	(1.60)
Other Bank Balances	2.08	0.70	2.31
Others Financial assets	2.09	418.97	395.14
<b>(c) Other Current Assets</b>	2.10	-	0.46
<b>Total Current Assets</b>		<b>1,520.52</b>	<b>764.89</b>
<b>Total Assets</b>		<b>3,696.18</b>	<b>2,405.06</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	2.11	375.90	372.90
(b) Other Equity	2.12	1,068.74	290.70
(c) Money received against Share Warrants	2.13	-	188.08
<b>Total Equity</b>		<b>1,444.64</b>	<b>851.68</b>
<b>LIABILITIES</b>			
<b>(2) Non-Current Liabilities</b>			
<b>Total Non-current Liabilities</b>		-	-
<b>(3) Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	2.14	2,196.33	1,511.82
<b>(ii) Trade Payables</b>			
Micro and Small Enterprise	2.15	-	-
Other than Micro and Small Enterprise		14.61	5.72
(iii) Other Financial Liabilities	2.16	22.99	11.27
<b>(b) Other Current Liabilities</b>	2.17	17.61	24.57
<b>Total Current Liabilities</b>		<b>2,251.54</b>	<b>1,553.38</b>
<b>Total Equity &amp; Liabilities</b>		<b>3,696.18</b>	<b>2,405.06</b>
Significant Accounting Policies And Notes On Accounts		1 & 2	
As per our attached report of even date			
For Navin Nishar & Associates		For Zodiac Ventures Limited	
Chartered Accountants			
Sd/-		Sd/-	Sd/-
CA. Navin K. Nishar		Jimit R. Shah	Ramesh Shah
Proprietor		(Managing Director)	(Director)
Membership No. : 101443		(DIN-01580796)	(DIN-01580767)
Firm Reg. No. : 116503W		Sd/-	Sd/-
Place:- Mumbai		Vipul Khona	Rustom Aspi Deboo
Date:- 17.05.2024		(CFO)	(Company Secretary)

ZODIAC VENTURES LIMITED

STANDALONE PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31<sup>st</sup>MARCH 2024

CIN:- L45209MH1981PLC023923

Particulars	Note No.	Rs. In Lacs	
		For The Year ended 31/03/2024	For The Year ended 31/03/2023
<b>INCOME</b>			
Revenue from Operations	2.18	59.14	115.96
Other Income	2.19	24.12	17.20
<b>Total Income</b>		<b>83.26</b>	<b>133.16</b>
<b>EXPENDITURE</b>			
Changes in inventories of Work in process	2.20	(598.17)	(229.04)
Employee Benefit Expense	2.21	66.71	62.20
Finance Costs	2.22	63.74	29.92
Depreciation & Amortisation expenses	2.01	2.96	1.17
Other Expenses	2.23	467.72	149.89
Loss on Sale of Investment in Subsidiary	2.24	-	-
<b>Total Expenses</b>		<b>2.96</b>	<b>14.14</b>
<b>Profit/(Loss) Before Tax</b>		<b>80.30</b>	<b>119.02</b>
<b>Tax Expense:</b>			
Current tax		(30.00)	(22.00)
Deferred tax		0.16	0.09
Tax in Respect of Earlier Years		(11.87)	-
<b>Total Tax expenses</b>		<b>(41.52)</b>	<b>(21.91)</b>
<b>Profit/(Loss) for the Year</b>		<b>38.78</b>	<b>97.11</b>
<b>Other Comprehensive Income/(Loss)</b>			
A (i) Items that will not be reclassified to profit or loss		497.80	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or Loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income/(Loss) (Net of Tax)</b>		<b>497.80</b>	<b>-</b>
<b>Total Comprehensive Income/(Loss) for the Year</b>		<b>536.58</b>	<b>97.11</b>
<b>Earnings/(Loss) Per Equity Share of Face Value of Rs. 1 each</b>			
(1) Basic	2.25	1.44	0.26
(2) Diluted	2.25	1.44	0.26
<b>Significant Accounting Policies And Notes On Accounts</b>		1 & 2	
As per our report attached For Navin Nishar & Associates Chartered Accountants		For Zodiac Ventures Limited	
Sd/- CA. Navin K. Nishar Proprietor Membership No. : 101443 Firm Reg. No.: 116503W Place:- Mumbai Date:-17.05.2024		Sd/- Jimit R. Shah (Managing Director) (DIN-01580796)	Sd/- Ramesh Shah (Director) (DIN-01580767)
		Sd/- Vipul Khona (CFO)	Sd/- Rustom Aspi Deboo (Company Secretary)

**ZODIAC VENTURES LIMITED**  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024**

CIN:- L45209MH1981PLC023923

		Rs. In Lacs	
	Particulars	For The year ended 31/03/2024	For The year ended 31/03/2023
<b>A</b>	<b><u>Cash flow from Operating Activities:</u></b>		
	Net Profit/(Loss) After Tax as per Statement of Profit and Loss	38.78	97.11
	Add : Finance Costs	63.74	29.92
	Add : Depreciation and Amortisation Expense	2.96	1.17
	Add : Loss on Sale of Shares	-	-
	Less : Interest Received	(24.07)	(17.16)
	Operating Cash Profit before Working Capital Changes	<b>81.42</b>	<b>111.04</b>
	<b><u>Adjusted for:</u></b>		
	Increase/(Decrease) in Trade and Other Payables	13.65	24.16
	(Increase)/Decrease in Trade and Other Receivables	61.25	(532.17)
	(Increase)/Decrease in Inventories	(598.17)	(229.04)
	Cash Generated from Operations	<b>(441.85)</b>	<b>(626.01)</b>
	Direct Taxes Paid	11.53	15.17
	Net Cash Inflow/(Outflow) in the course of Operating Activities	<b>(430.32)</b>	<b>(610.83)</b>
<b>B</b>	<b><u>Cash flow from Investing Activities:</u></b>		
	Purchase of Property, Plant and Equipment	(9.81)	(2.71)
	Interest Received	24.07	17.16
	Add: Sale of Investment(Shares of Zodiac Developer Pvt. Ltd)	-	-
	Purchase of Investments	-	(800.37)
	Net Cash Inflow / (Outflow) in the course of Investing Activities	<b>14.25</b>	<b>(785.92)</b>
<b>C</b>	<b><u>Cash flow from Financing Activities:</u></b>		
	Proceeds/(Repayment) of Short-Term Borrowings (Net)	684.51	1,396.04
	Finance Costs	(63.74)	(29.92)
	Dividends paid (including Dividend Distribution Tax)	-	-
	Proceeds From Issue of Shares Warrant	56.39	-
	Net Cash Inflow/(Outflow) in the course of Financing Activities	<b>677.15</b>	<b>1,366.12</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>261.08</b>	<b>(30.63)</b>
	Opening balance of Cash and Cash equivalents	(1.60)	29.03
	<b>Closing balance of Cash and Cash Equivalents</b>	<b>259.48</b>	<b>(1.60)</b>

For Navin Nishar & Associates  
Chartered Accountants

Sd/-  
CA. Navin K. Nishar  
Proprietor  
Membership No. : 101443  
Firm Reg. No.: 116503W  
Place:- Mumbai  
Date:- 17.05.2024

For Zodiac Ventures Limited

Sd/-  
Jimit Shah  
(Managing Director)  
(DIN-01580796)

Sd/-  
Vipul Khona  
(CFO)

Sd/-  
Ramesh Shah  
(Director)  
(DIN-01580767)

Sd/-  
Rustom Aspi Deboo  
(Company Secretary)



## Statement of Changes in Equity for the year ended 31st March 2024

Statement of Changes in Equity for the year ended 31st March, 2024

Rs. In Lacs

## a. EQUITY SHARE CAPITAL

Particulars	Note	Amount Rs. in Lacs
As at 1st April, 2022	2.11	372.90
Changes in equity share capital during 2022-23		-
As at 31st March, 2023		372.90
Changes in equity share capital during 2023-24		3.00
As at 31 March, 2024		375.90

## b. OTHER EQUITY

Particulars	Other Equity				Total other Equity
	Reserve and Surplus			Other Comprehensive Income	
	Securities Premium	General Reserve	Retained Earnings		
As at 1 April, 2022	621.98	2.52	66.88	(497.80)	193.59
Profit/(loss) for the Year	-	-	97.11	-	97.11
Dividend on Equity Shares	-	-	-	-	-
Tax on Dividend on Equity Shares	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>621.98</b>	<b>2.52</b>	<b>163.99</b>	<b>(497.80)</b>	<b>290.70</b>
Profit/(loss) for the Year	-	-	38.78	-	38.78
Dividend on Equity Shares	-	-	-	-	-
Tax on Dividend on Equity Shares	-	-	-	-	-
Other comprehensive income for the year	-	-	-	497.80	497.80
Share Premium received during the year	72.18	-	-	-	72.18
Transfer to General Reserve on Forfeiture of Sh	-	169.29	-	-	169.29
<b>Balance as at 31st March, 2024</b>	<b>694.16</b>	<b>171.81</b>	<b>202.77</b>	<b>-</b>	<b>1,068.74</b>

As per our report attached  
For Navin Nishar & Associates  
Chartered Accountants

For Zodiac Ventures Limited

Sd/-  
CA. Navin K. Nishar  
Proprietor  
Membership No. : 101443  
Firm Reg. No.: 116503W  
Place:- Mumbai  
Date:- 17.05.2024

Sd/-  
Jimit R. Shah  
(Managing Director)  
(DIN-01580796)

Sd/-  
Ramesh Shah  
(Director)  
(DIN-01580767)

Sd/-  
Vipul Khona  
(CFO)

Sd/-  
Rustom Aspi Deboo  
(Company Secretary)

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****NOTE 1:- SIGNIFICANT ACCOUNTING POLICIES****1.01 Basis of Preparation of Financial Statements**

These 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.

**1.02 Use of Estimate**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

**1.03 Revenue Recognition**

Revenue from sale of services is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services.

The Company does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

**Revenue for Real Estate project**

During the year under review, the Company has started two Residential Real Estate projects Viz. Anjaneshwer CHS and Guruchhaya CHS Projects for Redevelopment of the Society. All the direct expenses pertaining to particular project has been capitalised to the particular projects and all the indirect general expenses has been allocated to the existing running projects based on the direct expenditure incurred for the particular projects during the year.

In accordance with the principles of Ind AS-115, revenue in respect of real estate project is recognised on satisfaction of performance obligation at a point in time by transferring a promised good or service (i.e. an asset) to a customer and the customer obtains control of that asset.

The satisfaction of performance obligation and the control thereof is transferred from the company to the buyer upon possession or upon issuance of letter for offer of possession ("deemed date of possession"), whichever is earlier, subject to certainty of realization.

**1.04 Property, Plant and Equipment**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost if capitalization criteria are met and any cost directly attributable to bringing the assets to its working condition for its intended use.

**1.05 Depreciation**

The Company depreciates its property, plant and equipment on the Straight Line Method over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act. Depreciation for assets purchased/sold during a period is proportionately charged.

**1.06 Financial Instruments**

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

**i) Financial Assets****i) Initial Recognition and Measurement**

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

**ii) Subsequent Measurement****a Financial Assets carried at amortised cost (AC)**

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

**b Financial assets at fair value through other comprehensive income (FVTOCI)**

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

**c Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

**iii) Investment in subsidiaries, Associates and Joint Ventures**

The Company has accounted for its investments in subsidiaries, associates and joint venture at Fair Market Value. During the Previous year, the Company has sold 1,00,00,000 Shares of subsidiary company Zodiac Developers Private Limited held as Investments at Fair Market Valuation of Rs. 1.55 per shares done by the Registered Merchant Banker to the promoter and thereby incurred Loss on sale of Investment in subsidiary amounting to Rs. 95.00 Lakhs. Due to sale of such investments, the Company's holding in subsidiary company reduced to 42.81% from 50.98% as a result it ceases to be a Holding Company, however, it holds the controlling Interest in subsidiary company Zodiac Developers Private Limited.

However, during the year, as per the Fair Market Valuations, the Investment in subsidiaries has been tested for an impairment and accordingly, the Company has revalued its Investments as per the Fair Market Valuations at Rs. 2.58 per share done by the Registered Merchant Banker and thereby the Company has reversed the impairment made in previous years and made revaluation of Investment in subsidiaries to the extent of Rs. 4,97,80,000/- in the previous year and the balance of Investment of 5,24,00,000 Shares Investment in subsidiary Company hold by the Company stands at Rs. 13,10,00,000/-.

**iv) Other Equity Investments**

The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

◆ **Investments in equity instruments at FVTPL:** Investments in equity instruments are classified as at FVTPL, unless the Company irrevocable elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

◆ **Investments in equity instruments at FVTOCI:** On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

**v) Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). As per the Fair Market Valuations, the Investment in subsidiaries has been tested for an impairment in previous year and thereby the Company has made an impairment of Investment in subsidiaries to the extent of Rs. 4,97,80,000/- and the balance Investment of 5,24,00,000 Shares Investment in subsidiary Company hold by the Company. Expected credit losses are measured through a loss allowance at an amount equal to:

◆ The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

◆ Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

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

**vi) De-recognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for 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.

**ii) Financial Liabilities****i) Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost, Fee of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

**ii) Subsequent Measurement**

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.

**1.07 Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

**1.08 Employee Benefits**

The Statutory enactments relating to payment of Provident Fund, ESIC and Gratuity to employees are not applicable to the company. The company does not have any scheme for retirement benefits for its employee and as such no provision towards retirement benefits to employees is considered necessary. Short term employee benefits in the form of leave encashment and Bonus is provided on accrual basis.

**1.09 Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**1.10 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of 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 recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

**1.11 Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**1.12 Dividend**

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity. The Unpaid Dividend for FY 2014-15 amounting to Rs. 1,60,214/- yet to be transferred to Investor's Grievances Protection Fund Account.

**NOTE 2:- NOTES ON ACCOUNTS****2.01 Property, Plant and Equipment**

Particulars	Office Equipment	Computers & printers	Mobile Instrument	Total
<b>Original Cost</b>				
As At April 1, 2021	-	-	0.90	0.90
Additions	-	1.79	0.49	2.28
Deductions/ Adjustment	-	-	-	-
<b>As At March 31, 2022</b>	-	<b>1.79</b>	<b>1.39</b>	<b>3.18</b>
Additions	-	1.84	0.87	2.71
Deductions/ Adjustment	-	-	-	-
<b>As At March 31, 2023</b>	-	<b>3.63</b>	<b>2.26</b>	<b>5.89</b>
Additions	0.30	7.32	2.20	9.81
Deductions/ Adjustment	-	-	-	-
<b>As At March 31, 2024</b>	<b>0.30</b>	<b>10.95</b>	<b>4.46</b>	<b>15.71</b>
<b>Depreciation</b>				
As At April 1, 2021	-	-	0.03	0.03
For the Period	-	0.19	0.24	0.43
Deductions/ Adjustment	-	-	-	-
<b>As At March 31, 2022</b>	-	<b>0.19</b>	<b>0.27</b>	<b>0.46</b>
For the Period	-	0.86	0.32	1.17
Deductions/ Adjustment	-	-	-	-
<b>As At March 31, 2023</b>	-	<b>1.05</b>	<b>0.59</b>	<b>1.63</b>
For the Period	0.04	2.32	0.61	2.96
Deductions/ Adjustment	-	-	-	-
<b>As At March 31, 2024</b>	<b>0.04</b>	<b>3.36</b>	<b>1.19</b>	<b>4.60</b>
<b>Net Book Value</b>				
<b>As At March 31, 2022</b>	-	<b>1.60</b>	<b>1.12</b>	<b>2.72</b>
<b>As At March 31, 2023</b>	-	<b>2.59</b>	<b>1.67</b>	<b>4.26</b>
<b>As At March 31, 2024</b>	<b>0.26</b>	<b>7.59</b>	<b>3.26</b>	<b>11.11</b>

**2.02 Investments**

Particulars	31.03.2024	31.03.2023
<b>Investments measured at Cost</b>		
<b>In Equity Shares of Subsidiary Company</b>		
<b>Unquoted, fully paid up</b>		
5,24,00,000 (P.Y. 6,24,00,000) Equity Shares of Zodiac Developers Private Limited of Rs. 1/- each fully paid up.	812.20	812.20
Less: Sale of 1,00,00,000 Equity Shares of Zodiac Developers Private Limited of Rs. 1/- Each Fully paid @ Rs. 1.55 per share to Promoters (As per Valuation Report of Registered Valuer)	-	-
Less: Loss on Sale of Investments	-	-
Add: Reversal of Impairment in the Value of Investments as per the FMV of Rs. 2.58 per share (5,24,00,000 X Rs. 0.95)	-	-
Less: Provision of Impairment in the Value of Investments as per the FMV of Rs. 1.55 per share (5,24,00,000 X Rs. 0.95)	497.80	-
2,500 (P.Y. NIL) Equity Shares of Mumbai Mega Foodpark Private Limited of Rs. 10/- Each Fully paid Up	0.25	0.25
18,60,465 (P.Y. NIL) Equity Shares of Gammon Engineers and Contractors Pvt Ltd. of Rs. 10/- Each Purchased @ Rs. 43/- per Shares (As per Valuation Report of Valuer)	800.12	800.12
<b>Total</b>	<b>2,110.37</b>	<b>1,612.57</b>

<b>2.03 Other Financial Assets</b>		
Particulars	31.03.2024	31.03.2023
<b>Unsecured, Considered Good :-</b>		
<b>Security Deposit:-</b>		
F.D. With Cosmos Co. Op. Bank Ltd (For B.G For Anjaneshwar Redevelopment)	5.45	5.21
Term Deposit PNB 19840	41.61	-
Adani Electricity Deposit	0.52	0.01
Debris Removal Deposit	0.11	0.11
Deposit (20 Ltr Jar 5 x 150)	0.01	-
I.O.D Deposit	0.06	0.06
Tree Deposit	3.20	3.20
<b>Total</b>	<b>50.95</b>	<b>8.58</b>
<b>2.04 (iii) Deferred tax assets (net)</b>		
Particulars	31.03.2024	31.03.2023
Deferred tax assets	0.24	0.09
<b>Total</b>	<b>0.24</b>	<b>0.09</b>
<b>2.05 Non-Current Tax Assets</b>		
Particulars	31.03.2024	31.03.2023
Income Tax Refund (Net of Tax)	2.98	14.66
<b>Total</b>	<b>2.98</b>	<b>14.66</b>
<b>2.06 INVENTORIES (valued at lower of cost and net realisable value)</b>		
Particulars	31.03.2024	31.03.2023
<b>Work in Progress:-</b>		
<b>(As certified by management)</b>		
WIP-Anjaneshwar Project	798.13	216.42
WIP Guruchhaya Project	40.23	23.78
<b>Total</b>	<b>838.37</b>	<b>240.20</b>
<b>2.07 Trade Receivables</b>		
Particulars	31.03.2024	31.03.2023
Micro, Small and Medium Enterprises	-	-
Others	3.00	128.38
<b>Total</b>	<b>3.00</b>	<b>128.38</b>

**For the Year ending 31st March, 2024**

Particulars	< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables Considered good	-	-	-	3.00	-	3.00
Undisputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables Considered good	-	-	-	-	-	-
Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
<b>Total</b>						<b>3.00</b>

**For the Year ending 31st March, 2023**

Particulars	< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables Considered good	125.38	-	3.00	-	-	128.38
Undisputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables Considered good	-	-	-	-	-	-
Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
<b>Total</b>						<b>128.38</b>

**2.08 Cash and Bank Balances**

Particulars	31.03.2024	31.03.2023
<b>(i) Cash and Cash Equivalents</b>		
Balances with Banks (Cheques under Reconciliation)	255.42	(2.20)
Cash-on-Hand	4.06	0.60
	<b>259.48</b>	<b>(1.60)</b>
<b>(ii) Other Bank Balances</b>		
Unclaimed Dividend Account	0.70	2.31
	<b>0.70</b>	<b>2.31</b>
<b>Total</b>	<b>260.18</b>	<b>0.71</b>

**2.09 Other Financial Assets**

Particulars	31.03.2024	31.03.2023
Micro, Small and Medium Enterprises	-	-
Others (GAK Exchange and India Service Pvt Ltd)	418.85	395.14
Staff Loan	0.13	-
<b>Total</b>	<b>418.97</b>	<b>395.14</b>

**2.09 Other Current Assets**

Particulars	31.03.2024	31.03.2023
<b>Unsecured, Considered Good :-</b>		
GST Credit receivable (Not Reflected in GSTR2B)	-	0.46
<b>Total</b>	<b>-</b>	<b>0.46</b>

**2.10 Equity Share Capital**

Particulars	31.03.2024	31.03.2023
<b>Authorised Share Capital</b>		
20,00,00,000 Equity Shares of Rs. 1 each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid-Up</b>		
3,72,90,000 Equity Shares of Rs. 1 each, Fully Paid up	372.90	372.90
Add:- 3,00,000 Shares of Rs. 1/- each issued during the Period against conversion of Share Warrants	3.00	-
<b>Total</b>	<b>375.90</b>	<b>372.90</b>

The Company has only one class of shares referred to as equity shares having a par value of Rs. 1/-. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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 of their shareholding.

**Reconciliation of shares outstanding at the beginning and at the end of the reporting period:-**

Particulars	31.03.2024		31.03.2023	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the Period	3,72,90,000	372.90	3,72,90,000	372.90
Add:- Issued During the Period	3,00,000	3.00	-	-
Outstanding at the end of the period	<b>3,75,90,000</b>	<b>375.90</b>	<b>3,72,90,000</b>	<b>372.90</b>

**Details of shareholder of Promoters & promoter Group in the Company:-**

Shares held by promoters at the end of the year 31st March 2024				
Sr. No.	Promoter Name	No. of Shares	% of total shares**	% Change during the year
1	Ramesh V Shah	1,25,92,320	33.5	NIL
2	Pushpa R Shah	52,50,000	13.97	NIL
3	Jimit R Shah	30,62,320	8.15	10.86
4	Yesha R Shah	16,35,000	4.35	NIL
5	Sunita J Shah	17,50,000	4.65	NIL
	<b>Total</b>		<b>64.62</b>	

\*\* Above figure includes 3,00,000 Shares of Rs. 1/- each issued to Jimit Shah (Promoter) during the Period against conversion of Share Warrants on which listing approval is pending from the Stock Exchange

Shares held by promoters at the end of the year ending 31st March 2023				
Sr. No.	Promoter Name	No. of Shares	% of total shares**	% Change during the year
1	Ramesh V Shah	1,25,92,320	33.77	NIL
2	Pushpa R Shah	52,50,000	14.08	NIL
3	Jimit R Shah	27,62,320	7.41	NIL
4	Yesha R Shah	16,35,000	4.38	NIL
5	Sunita J Shah	17,50,000	4.69	NIL
	<b>Total</b>		<b>64.33</b>	

**2.11 Other Equity**

Particulars	31.03.2024	31.03.2023
<b>a) Securities Premium</b>		
Balance as per last Financial Statements	621.98	621.98
Add\Less : Adjustments	72.18	-
<b>Closing Balance</b>	<b>694.16</b>	<b>621.98</b>
<b>b) General Reserve</b>		
Balance as per last Financial Statements	2.52	2.52
Add : Transfer from Profit and Loss Statement	-	-
Add: Transfer to General Reserve on Forfeiture of Share Warrants	169.29	-
<b>Closing Balance</b>	<b>171.81</b>	<b>2.52</b>
<b>c) Retained Earnings</b>		
Balance as per last Financial Statements	(333.81)	(430.92)
Add : Profit /(Loss) for the year	38.78	97.11
Add : Income Tax Payable (AY 2023-24)	-	-
Less : Dividend on Equity Shares	-	-
Less : Tax on Dividend on Equity Shares	-	-
Less: Provision of Impairment of Loss in Investments as per FV of Equity Shares of Subsidiary C	497.80	-
<b>Closing Balance</b>	<b>202.77</b>	<b>(333.81)</b>
<b>Total</b>	<b>1,068.74</b>	<b>290.70</b>

**Nature & purpose of other equity and reserves :****a) Securities Premium**

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

**b) General Reserve**

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

**c) Retained Earnings**

Retained Earnings represent accumulated earnings transferred to reserves over the years. It also accounts for Loss on Sale of Investments subsidiary Company - Zodiac Developer Pvt. Ltd. to Jimit Ramesh Shah (Promoter) and also accounts for provision for impairment of investment in subsidiary Company - Zodiac Developer Pvt. Ltd. in previous year

**2.12 Share Warrant**

Particular	31.03.2024	31.03.2023
29,95,000 (P.Y. 29,95,000) share Warrants Convertible in Equity Shares of FV Rs. 1/- at a premium of Rs. 24.06 per warrants. Above warrants are Partly Paid up of Face value of Rs. 0.25 & Premium of Rs. 6.015 per warrants)	188.08	188.08
Less: Out of the above 3,00,000 Warrants were fully paid and Converted into shares and balance 26,95,000 warrants were forfeited due to non payment of Call Money during the	(188.08)	-
<b>Total</b>	<b>-</b>	<b>188.08</b>

During the Previous year, the Company had issued 29,95,000 Share warrants, convertible in Equity shares at an issue price of Rs. 25.06 per warrants (including premium of Rs. 24.06 per warrants to 12 allottees including promoters. The Company has received 25% of issue price i.e. Rs. 6.265 per Warrants (including premium of Rs. 6.015 per warrants amounting to Rs. 1,88,08,000/-). Out of the above 3,00,000 Warrants were fully paid and Converted into shares and balance 26,95,000 warrants were forfeited due to non payment of Call Money during the year

**2.13 Borrowings**

Particulars	31.03.2024	31.03.2023
<b>Secured</b>		
Bank Overdraft Limit from Punjab National Bank	1,471.56	-
*The above Overdraft loan is secured by the mortgage of the Residential Flats of Promoters/Directors at 45th Juhu Residency (Hanuman Nagar) project and Corporate Guarantee of Zodiac Developers Pvt.	-	-
<b>Unsecured</b>		
<b>Loans Repayable on Demand</b>		
From Related Parties	330.88	742.03
From Other Parties	393.88	769.80
<b>Total</b>	<b>2,196.33</b>	<b>1,511.82</b>



**2.14 Trade Payables**

Particulars	31.03.2024	31.03.2023
Micro, Small and Medium Enterprises	-	-
Others	14.61	5.72
<b>Total</b>	<b>14.61</b>	<b>5.72</b>

**For the Year ending 31st March,2024**

Particulars	< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	11.93	1.60	0.90	0.18	-	14.61
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

**For the Year ending 31st March,2023**

Particulars	< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	4.45	1.07	0.20	-	-	5.72
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

The Company has not received any intimation from any of its suppliers regarding their Status as Micro, Small and Medium Enterprise under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence Disclosures, if any, relating to amounts unpaid as at the end of the year along with interest paid/payable as required under the said act is not applicable in the case of the Company.

**2.16 Other Financial Liabilities**

Particulars	31.03.2024	31.03.2023
Unpaid dividend*	0.58	2.18
Salary Payable	16.70	9.09
Advance against Sale of Flats received	5.71	-
<b>Total</b>	<b>22.99</b>	<b>11.27</b>

\*Unpaid Dividend of FY 2015-16 Rs. 157.40 yet to be transferred to Investor's Grievances Protection Fund Account

**2.17 Other Current Liabilities**

Particulars	31.03.2024	31.03.2023
Withholding and Other Taxes Payable	17.61	24.57
<b>Total</b>	<b>17.61</b>	<b>24.57</b>

**2.18 Revenue From Operations**

Particulars	31.03.2024	31.03.2023
<b>Sale of Services</b>		
Architect and Liaisoning Fees	-	5.00
Brockrage Charges	59.14	110.96
<b>Total</b>	<b>59.14</b>	<b>115.96</b>

**2.19 Other Income**

Particulars	31.03.2024	31.03.2023
Discount Received	0.05	0.04
Interest on IT Refund	-	-
Interest Received on Loan Given	23.71	16.95
Interest Received on FD	0.35	0.21
Sundry Balance W/o	-	0.00
<b>Total</b>	<b>24.12</b>	<b>17.20</b>

**2.20 CHANGES IN INVENTORIES OF WORK IN PROCESS**

Particulars	31.03.2024	31.03.2023
Work In Progress at Commencement	240.20	11.16
Work In Progress at Close	838.37	240.20
<b>Total (A-B)</b>	<b>(598.17)</b>	<b>(229.04)</b>

**2.21 Employee Benefit Expense**

Particulars	31.03.2024	31.03.2023
Salary & Bonus	60.51	60.89
Staff Welfare Expenses	1.42	1.31
Gratuity Paid	4.78	-
<b>Total</b>	<b>66.71</b>	<b>62.20</b>

**2.22 Financial Cost**

Particulars	31.03.2024	31.03.2023
Interest Expense	54.73	29.57
Bank Charges	9.01	0.34
<b>Total</b>	<b>63.74</b>	<b>29.92</b>

**2.23 Other Expenses**

Particulars	31.03.2024	31.03.2023
Sales Promotion	2.11	2.61
Legal & Professional Fees	26.57	10.92
Advertisement Expenses	0.75	0.64
Listing, Depository & Other Related Charges	3.67	3.33
<b>Auditor's Remuneration:-</b>	-	-
As Auditors	1.00	1.00
For Other Services	-	-
Interest on Late Payment of Statutory Dues	7.49	2.15
Repair & Maintenance	2.45	1.77
Printing and Stationery	1.77	0.87
Miscellaneous Expenses	1.61	0.67
Other Expenses	420.29	125.92
<b>Total</b>	<b>467.72</b>	<b>149.89</b>

**2.24 Loss on Sale of Investment in Subsidiary**

Particulars	31.03.2024	31.03.2023
Loss on Sale of Investment of Shares in Subsidiary Company	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**2.25 Earning Per Share**

Particulars	31.03.2024	31.03.2023
Profit / (Loss) after Tax	536.58	97.11
Weighted average Number of Shares outstanding during the year. (Face Value Rs. 1 per	3,75,90,000	3,72,90,000
<b>Basic Earnings/(Loss) Per share</b>	<b>1.43</b>	<b>0.00</b>

Company does not have any potential dilutive equity shares, hence dilutive earning per share is same as earning per share.

**2.23 Fair Values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying Values		Fair Values	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Financial Assets</b>				
Investments	2,110.37	1,612.57	2,110.37	1,612.57
<b>Total</b>	<b>2,110.37</b>	<b>1,612.57</b>	<b>2,110.37</b>	<b>1,612.57</b>
<b>Financial Liabilities</b>				
Borrowings	2,196.33	1,511.82	2,196.33	1,511.82
	<b>2,196.33</b>	<b>1,511.82</b>	<b>2,196.33</b>	<b>1,511.82</b>

The management assessed that fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**2.24 Financial Risk Management**

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a core Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

**A Liquidity Risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2023 and 31st March, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

**B Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

**i) 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. This risk exist mainly on account of borrowings of the Company. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

**ii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

**C Credit Risk**

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets.

**i) Trade Receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables.

**ii) Other Financial Assets**

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy.

**D Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**2.25 Segment Reporting**

The company operates in a single line of business i. e. Real Estate Project Advisory and Development and construction of Real Estate Projects and also in a single geographic environment within India, Hence there is no reportable segment information with respect to provision of Ind As 108 "Segment Reporting".

**2.26 Contingent liabilities and commitments**

Particular	31.03.2024	31.03.2023
Disputed demand in respect of Income-tax	25.04	25.04

Income Tax Demand of Rs. 19,29,638/- for assessment year 2016-17. The matter is pending before the Commissioner Of Income Tax (Appeals).

Income Tax Demand of Rs. 5,56,271/- for assessment year 2017-18. The matter is pending before the Commissioner Of Income Tax (Appeals).

Income Tax Demand of Rs. 18,563/- for assessment year 2018-19. The matter is pending before the Commissioner Of Income Tax (Appeals).

GST Payable for the FY 2023-24 Rs. 9,97,040/-

Profession Tax Payable for FY 2023-24 Rs. 26,900/-

TDS Payable for the FY 2023-24 Rs. 7,36,800/-

<b>2.27 Related Party Disclosures</b>		
<b>a) List of Related Parties where control exists and Related Parties with whom transactions have taken place and Relationships:-</b>		
<b>i. Subsidiary Company :-</b> Zodiac Developers Private Limited (As on 31/03/2024, it is no more a subsidiary, but having Controlling Interest)		
<b>ii. Key Management Personnel (KMP) :-</b> Ramesh V. Shah (Chairman) Jimit Ramesh Shah (Managing Director) Vipul Khona (Chief Financial Officer) Rustom Aspi Deboo (Company Secretary)		
<b>b) Transaction with Related Parties:-</b>		
<b>Nature of Transaction (Excluding Reimbursements)</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
<b>Short Term Borrowings Taken</b>		
Ramesh V. Shah	70.38	0.68
Jimit Ramesh Shah	385.33	1,049.14
	<b>455.71</b>	<b>1,049.82</b>
<b>Repayment of Short Term Borrowings Taken</b>		
Ramesh V. Shah	-	25.00
Jimit Ramesh Shah	895.54	424.27
	<b>895.54</b>	<b>449.27</b>
<b>Interest Paid</b>		
Ramesh V. Shah	7.00	5.49
Jimit Ramesh Shah	24.87	34.16
	<b>31.87</b>	<b>39.65</b>
<b>Salary and other Employee Benefits</b>		
Rustom Aspi Deboo (Salary)	6.62	5.29
	<b>6.62</b>	<b>5.29</b>
<b>Proceeds from issue of Shares upon conversion of warrants (including Share premium)</b>		
Jimit Ramesh Shah	56.39	-
	-	-
<b>Expenses incurred on behalf of Company</b>		
Rustom Aspi Deboo (Statutory Exp.. Paid on behalf of Company)	0.26	0.31
Rustom Aspi Deboo (Reimbursement of Exp.. Paid on behalf of Company)	-	(0.64)
	50.32	-
	<b>50.58</b>	<b>(0.33)</b>
<b>Balances Outstanding as at year end</b>		
<b>Short Term Borrowings Taken</b>		
Ramesh V. Shah	149.08	72.39
Jimit Ramesh Shah	181.81	669.63
	<b>330.88</b>	<b>742.03</b>
<b>Reimbursement of Expenses Payable to Rustom (Net Banking)</b>		
Rustom Aspi Deboo (Reimbursement of Exp.Paid on behalf of Company)	-	-
	-	-
<b>For Navin Nishar &amp; Associates</b> Chartered Accountants	<b>For Zodiac Ventures Limited</b>	
<b>Sd/-</b> CA. Navin K. Nishar Proprietor Membership No. : 101443 Firm Reg. No.: 116503W Place:- Mumbai Date: 17.05.2024	<b>Sd/-</b> Jimit R. Shah (Managing Director) (DIN-01580796)  <b>Sd/-</b> Vipul Khona (CFO)	<b>Sd/-</b> Ramesh V. Shah (Director) (DIN-01580767)  <b>Sd/-</b> Rustom Aspi Deboo (Company Secretary)

**AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS 2024****INDEPENDENT AUDITOR'S REPORT****The Members,  
Zodiac Ventures Limited.  
Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated financial statements of Zodiac Ventures Limited (hereinafter referred to as ("An Associate Company having Controlling Interest, Previously, Holding Company") and its associate Company, previously, Subsidiary (An Associate Company having controlling Interest, previously, holding company and its Associate Company, previously, subsidiary together referred to as "Group") which includes the Group's share of Profit/loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31st March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries or associates referred to in the Other Matters section below, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Parent and its Associate Companies as at 31st March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

**Basis for Opinion**

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

**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 for the financial year ended March 31, 2024. 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 the matters described below to be the key audit matters to be communicated in our report. Except the matter described in the Basis for Opinion paragraph and emphasis of the matter, We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us, provide the basis for our audit opinion on the accompanying consolidated financial statements.

**Emphasis of Matter**

We draw your attention to Note No. 37 that Zodiac Developers Pvt. Ltd (ZDPL), which was the subsidiary of the company last year and now having controlling interest in the associate company, is engaged in real estate business. There are several litigations involved in the Hanuman Nagar Project of the said associate Company. There is a dispute with the Joint Developer in the Project. During 2020-21, the arbitration award dated 15th October 2020 has been received for the Hanuman Nagar Project. But the Associate Company has an order from the SRA which contradicts the arbitration award and definitely has more weightage in relative terms. An application under Section 34 of the Arbitration and Conciliation Act 1996 has been filed in the Bombay High Court and the Associate Company is confident of winning the same. In the said application, the Company has obtained a stay order from the Bombay High Court against the execution of the said arbitration award. Accordingly, management is of the opinion that the amount incurred on the project stands good and recoverable along with sizable profits. The construction activity has again resumed for Sale Building No. 7. Further, Company's flagship said Sale Building No. 7 has now been christened as 45-Juhu Residency and the Company has received part Occupation Certificate up to the 9th habitable floor. Accordingly, the company visualizes sales proceeds, recovery of balance payments on flats sold and also new sales to occur which will improve the Cash Flow.

We draw your attention to Note No. 37 that Zodiac Developers Pvt. Ltd (ZDPL), an Associate company is having a Commercial dispute with Mr. Abhishek Jhaveri and two ors for refund of Rs. 2,90,00,000/- towards the advance payments given against purchase of Residential Flat in Hanuman Nagar Project and has received prohibitory Order from Bombay High Court, Protho Notary for recovery of Rs. 2.90 Crs. And accordingly, the consent terms were filed by both the parties. However, the party has filed the Contempt petition before the Bombay High Court and got the Order of attachment of two bank accounts of ZDPL, an Associate Company. The Company has opposed the same and is in the process of reaching a settlement and paying the balance amount due and has also sought the Court's permission to release the attachment on Bank Accounts.

We draw your attention to Note No. 37 that Zodiac Developers Pvt. Ltd (ZDPL), an Associate company, had advanced a sum of Rs. 8,75,00,000/- to Akshar Group in the F.Y. 2017-18. The Associate Company was informed by Akshar Group that they intend to forfeit the entire amount of Rs. 8,75,00,000/- citing breach of contract and default in our obligations to them. The dispute had arisen and there is no improvement in the situation. The Associate Company intends to pursue legal recourse to recover this amount and is confident that the same will be recovered but, the case is yet to be filed. The matter is vexed and the Associate Company is playing a balancing act to safeguard its interest.

**Effects of COVID-19**

We draw further attention to Note No. 40 on the uncertainties and the impact of COVID-19 pandemic on the Company's operations and financial statements as assessed by the Management. The actual impact may differ from such estimates depending on future developments. Our opinion is not modified in respect of this matter

**Information other than the financial statements and auditors' report thereon**

The Parent's Management and 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 there on. 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 compare with the financial statements of the subsidiaries and associate companies audited by other auditors, to the extent it relates to these entities and in doing so, place reliance on the work of the other auditors and 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. Other information so far as it relates to the subsidiaries and associate companies and is traced from their financial statements audited by the other auditors. When we read the Management Report and Chairman's Statement and based on the work done/audit report of other auditors, we conclude that there is a material misstatement of this other

information; we are required to communicate the matter to those charged with governance as required under SA 720 “The Auditor’s Responsibilities Relating to Other Information”. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Parent’s Board of Directors are 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, financial performance (including other comprehensive income), and cash flows and changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group (and of its associates) are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates

### **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:

1. 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 controls.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent and its Associate Companies which are companies incorporated in India, has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management



4. 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 ability of the Parent and its Associate Companies 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 Parent and its Associate Companies to cease to continue as a going concern.
5. 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.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements include the Parent's share of net profit (including other comprehensive income) of Rs.542.14 lakhs for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of Two associate companies, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these associate companies, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate companies, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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

1. With respect to the matters specified in the paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/"CARO"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent and CARO reports issued by respective statutory auditors of the associates which have been included in the consolidated financial statements of the Company & to which reporting under CARO is applicable, we report that there are no remarks in these CARO reports.

2. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries & Associate entities referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its, subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to adequacy of internal financial control over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies

g) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and of its associate. Refer note 37 to the Consolidated Ind AS financial statements.

(ii) According to information and explanation given to us, the Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

(iii) There has been delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and associate companies incorporated in India. During the year, the Parent Company yet to transfer Unpaid Dividend of Rs. 157/- pertaining to F.Y. 2015-16 to the Investor Education and Protection Fund.

(iv) (a) The respective Managements of the Parent and its subsidiaries and associate companies which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other

than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and associates to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries and associates (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent Company and its associate companies which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Parent or any of such associate companies from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries and associate companies shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The respective Managements of the Parent Company and its associate companies has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

3. With respect to the matter to be included in the Auditors’ report under Section 197(16): In our opinion and according to the information and explanation given to us, the Associate Company has paid remuneration to its directors during the year in accordance with the provisions of and limit laid down under section 197 read with Schedule V of the Act. In respect of the Parent company, it has not paid any remuneration to its Directors.

For NAVIN NISHAR & ASSOCIATES

Place : Mumbai  
Date: 17th May, 2024  
CHARTERED ACCOUNTANTS

FIRM REGN. NO-116503W  
Sd/-  
CA. NAVIN K. NISHAR  
PROPRIETOR  
M. No. 101443  
UDIN. No.:24101443BKHKDK4123

**Annexure ‘A’ to the Independent Auditors’ Report of Even Date on the Consolidated Financial Statement of Zodiac Ventures Ltd.**

(Referred to in paragraph 1(f) under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Zodiac Ventures Limited of even date)

Report on the Internal Financial Controls to the aforesaid Consolidated financial statement under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of ZODIAC VENTURES LIMITED (hereinafter referred to as “Parent”) and its subsidiary & associate companies, which includes internal financial controls over financial reporting of the Parent and its subsidiaries and its associate company, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Parent and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Parent 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 and the audit evidence obtained by the other auditors of the subsidiary & associate companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary & associate companies, which are companies incorporated in India.

**Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the criteria for internal financial control over financial reporting established by the respective companies 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

#### **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 financial statements of the Parent, in so far as it relates to one associate company, which is company incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India

Our opinion is not modified in respect of the above matters.

For NAVIN NISHAR & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGN. NO-116503W  
Sd/-  
CA. NAVIN K. NISHAR  
PROPRIETOR  
M. No. 101443  
UDIN. No.: 24101443BKHKDK4123

Place : Mumbai  
Date: 17th May, 2024

CIN:- L45209MH1981PLC023923

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

Rs. in lacs

Particulars	Note no.	As at March 31, 2024 Amount (Rs.)	As at March 31, 2023 Amount (Rs.)
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
<b>(a) Property, Plant &amp; Equipments and Intangible Assets</b>			
(i) Property Plant and Equipments	2	39.13	52.83
(ii) Goodwill on consolidation		593.35	95.55
<b>(b) Financial assets</b>			
(i) Investments	3	801.12	801.12
(ii) Other financial assets	4	75.16	32.79
<b>(c) Non-Current Tax Assets (net)</b>			
Deferred tax assets (net)	5	100.11	175.13
	6	8.55	9.08
<b>(d) Other non-current assets</b>	7	1,597.17	1,602.17
<b>Total Non Current Assets</b>		<b>3,214.58</b>	<b>2,768.67</b>
<b>(2) Current Assets</b>			
<b>(a) Inventories</b>			
	8	8,428.02	6,477.79
<b>(b) Financial Assets</b>			
(i) Investment		-	-
(ii) Trade Receivables	9	1,626.04	2,297.93
(iii) Cash and Cash Equivalents	10	262.25	3.33
(iv) Bank Balance Other Than Above	10	0.70	2.31
(c) Loans	11	1,732.14	1,342.83
<b>(e) Others Financial assets</b>	12	534.54	514.65
(d) Other current assets	13	284.12	10.88
<b>Total Current Assets</b>		<b>12,867.82</b>	<b>10,649.72</b>
<b>Total Assets</b>		<b>16,082.40</b>	<b>13,418.39</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	14	375.90	372.90
(b) Other Equity	15	1,157.80	374.20
(c) Money received against Share Warrants	16	-	188.08
<b>Total Equity</b>		<b>1,533.70</b>	<b>935.18</b>
<b>Non- controlling Interests</b>		1,223.64	1,216.20
<b>LIABILITIES</b>			
<b>(2) Non-Current Liabilities</b>			
<b>(a) Financial liabilities</b>			
Long Term Borrowings	17	281.70	274.90
Other Financial Liabilities	18	1,720.21	1,720.21
<b>Total Non-current Liabilities</b>		<b>2,001.91</b>	<b>1,995.11</b>
<b>Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Short Term Borrowings	19	4,889.52	2,866.27
(ii) Trade Payable	20	-	-
Micro and Small Enterprise		-	-
Other than Micro and Small Enterprise		59.82	64.63
(iii) Other financial liabilities	21	1,752.03	1,773.91
<b>(b) Liability for current tax (Net)</b>	22	14.56	93.78
<b>(c) Other current liabilities</b>	23	4,607.21	4,473.32
<b>Total Current Liabilities</b>		<b>11,323.14</b>	<b>9,271.90</b>
<b>Total Equity &amp; Liabilities</b>		<b>16,082.40</b>	<b>13,418.39</b>

Significant Accounting Policies 1 (0) 0

The accompanying notes are an integral part of financial statements

As per our attached report of even date

As per our attached report of even date

For Navin Nishar &amp; Associates

Chartered Accountants

Sd/-  
CA. Navin K. Nishar

Proprietor

Membership No. : 101443

Firm Reg. No. : 116503W

Place:- Mumbai

Date:- 17.05.2024

For Zodiac Ventures Limited

Sd/-  
Jimit R. Shah  
Managing Director  
DIN-01580796Sd/-  
Vipul Khona  
Chief Financial OfficerSd/-  
Ramesh V Shah  
Chairman  
DIN-01580767Sd/-  
Rustom Aspi Deboo  
Company Secretary

CIN:- L45209MH1981PLC023923

**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024** Rs. in Lacs

Particulars	Note no.	For the Year ended 31st March 2024	For the Year ended 31st March 2023
<b>I REVENUE</b>			
Revenue from operations	24	68.65	9,889.47
Other Income	25	55.03	43.59
<b>Total Income</b>		<b>123.68</b>	<b>9,933.06</b>
<b>II EXPENSES</b>			
Changes in inventories of Work in process	26	(1,950.23)	8,199.45
Employees benefits expense	27	384.83	281.06
Finance costs	28	960.14	615.61
Depreciation & Amortisation expenses	2	23.51	22.99
Other Expenses	29	598.99	352.34
<b>Total expenses</b>		<b>17.24</b>	<b>9,471.45</b>
<b>III PROFIT BEFORE TAX</b>		<b>106.43</b>	<b>461.61</b>
<b>IV Tax expenses</b>			
Provision for Tax		37.27	108.49
Deferred Tax		0.54	0.17
Earlier year tax adjustment		16.84	1.17
<b>Total Tax expenses</b>		<b>54.65</b>	<b>109.83</b>
<b>V PROFIT FOR THE YEAR</b>		<b>51.78</b>	<b>351.78</b>
<b>VI OTHER COMPREHENSIVE INCOME</b>			
A (i) Items that will not be reclassified to profit or loss	30	497.80	-
(ii) Income tax relating to above items		-	-
B (i) Items that will be reclassified to profit or Loss		-	-
(ii) Income tax relating to above items		-	-
<b>Other Comprehensive income for the year</b>		<b>497.80</b>	<b>-</b>
<b>VII Total Comprehensive income for the year [VII+VIII]</b>		<b>549.58</b>	<b>351.78</b>
<b>VIII Non Controlling Interest</b>		<b>7.44</b>	<b>145.65</b>
<b>IX Profit after Tax</b>		<b>542.14</b>	<b>206.14</b>
<b>X Profit for the year</b>		<b>51.78</b>	<b>351.78</b>
Attributable to:			
Equity Holders of the parent		44.34	206.14
Non- Controlling Interest		7.44	145.65
<b>XI Total Comprehensive Income</b>		<b>549.58</b>	<b>351.78</b>
<b>Attributable to:</b>			
Equity Holders of the parent		542.14	206.14
Non- Controlling Interest		7.44	145.65
<b>XII Earning per equity share:</b>			
Basic & Diluted	35	<b>1.44</b>	<b>0.55</b>
Significant Accounting Policies	1		
The accompanying notes are an integral part of financial statements.			

As per our attached report of even date

As per our attached report of even date

For Zodiac Ventures Limited

For Navin Nishar &amp; Associates

Sd/-

Jimit R. Shah  
Managing Director  
DIN-01580796

Sd/-

Ramesh V Shah  
Chairman  
DIN-01580767

Sd/-

CA. Navin K. Nishar  
Proprietor  
Membership No. : 101443  
Firm Reg. No.: 116503W  
Place:- Mumbai  
Date:- 17.05.2024

Sd/-

Vipul Khona  
Chief Financial Officer

Sd/-

Rustom Aspi Deboo  
Company Secretary

CIN:- L45209MH1981PLC023923

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

Particulars	Rs. In Lacs	
	For The year ended 31/03/2024	For The year ended 31/03/2023
<b>A Cash flow from Operating Activities:</b>		
Net Profit before Tax as per Statement of Profit and Loss	64.85	461.61
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	23.51	22.99
Finance cost	960.14	615.61
Interest Income	(24.14)	(17.81)
<b>Operating Cash Profit before Working Capital Changes</b>	<b>1,024.36</b>	<b>1,082.40</b>
<b>Adjusted for:</b>		
(Increase)/Decrease in Trade and Other Receivables	225.33	(1,948.78)
(Increase)/Decrease in Inventories	(1,950.23)	8,199.45
(Increase)/Decrease in Other Current Assets	(270.30)	0.14
Increase/(Decrease) in Trade and Other Payables	106.01	(34.64)
<b>Cash Generated from Operations</b>	<b>(864.83)</b>	<b>7,298.57</b>
Direct Taxes paid (net of refunds)	46.30	(36.11)
<b>Net Cash Inflow/(Outflow) in the course of Operating Activit</b>	<b>(818.53)</b>	<b>7,262.47</b>
<b>B Cash flow from Investing Activities:</b>		
Interest Received	24.14	17.81
Purchase of Property, Plant and Equipment	(9.81)	(4.57)
Sale of Investment of Subsidiary to Minority Shareholder	-	-
Purchase of non current Financial Assets	-	(800.12)
Investment in other non current Financial Assets	-	(8.58)
Investment in other non current Assets	-	23.00
(c) Loans	-	(304.19)
<b>(c) Others Financial assets</b>	-	(408.55)
(d) Other current assets	-	(9.19)
<b>Net Cash Inflow / (Outflow) in the course of Investing Activit</b>	<b>14.32</b>	<b>(1,494.40)</b>
<b>C Cash flow from Financing Activities:</b>		
Proceeds from Long-term Borrowings	265.57	-
Proceeds from Fresh Issue of Shares	-	0.35
Repayment of Long-term Borrowings	(56.38)	(18.26)
Proceeds/ (Repayment) of Short-Term Borrowings (Net)	1,680.98	1,725.41
Finance Costs	(960.14)	(615.61)
Other Financial Liabilities	-	(6,870.08)
Proceeds From Issue of Shares Warrant	56.39	-
<b>Net Cash (Outflow) in the course of Financing Activities</b>	<b>986.42</b>	<b>(5,778.19)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+E)</b>	<b>182.22</b>	<b>(10.13)</b>
Opening balance of Cash and Cash equivalents	(215.11)	(204.99)
<b>Closing balance of Cash and Cash Equivalents</b>	<b>(32.90)</b>	<b>(215.11)</b>
Cash and Cash Equivalents (Refer Note 10)	262.25	3.33
Bank Overdrafts (Refer Note 19)	(104.27)	-
Bank Overdrafts (Refer Note 19)	(190.87)	(218.44)
<b>Total</b>	<b>(32.90)</b>	<b>(215.11)</b>

For Navin Nishar & Associates  
Chartered Accountants

For Zodiac Ventures Limited

Sd/-  
CA. Navin K. Nishar  
Proprietor  
Membership No. : 101443  
Firm Reg. No.: 116503W  
Place:- Mumbai  
Date:- 17.05.2024Sd/-  
Jimit R. Shah  
Managing Director  
DIN-01580796Sd/-  
Vipul Khona  
Chief Finance OfficerSd/-  
Ramesh V Shah  
Chairman  
DIN-01580767Sd/-  
Rustom Aspi Deboo  
Company Secretary



Statement of change in equity for the year ended 31<sup>st</sup> March 2024.

	(Amt. in Lacs.)
<b>A Equity Share Capital (refer note no. 14)</b>	
As at 1st April, 2021	372.90
Changes in equity share capital during 2021-22	-
As at 31st March, 2022	372.90
Changes in equity share capital during 2022-23	-
<b>As at 31st March, 2023</b>	<b>372.90</b>
Changes in equity share capital during 2023-24	3.00
<b>As at 31st March, 2024</b>	<b>375.90</b>

**B Other Equity**

Particulars	Other Equity			Total
	Reserves & Surplus			
	General Reserve	Securities Premium	Retained Earnings	
<b>Balance as at 1st April, 2021</b>	2.52	621.98	111.99	<b>736.50</b>
Profit/(loss) for the Year	-	-	(552.44)	(552.44)
Write Off of Share of Accumulated Consolidated Profit of Subsidiary due to sale of Share in Subsidiary (Post Acquisition)	-	-	(16.00)	(16.00)
Other comprehensive income for the year	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	(568.44)	<b>(568.44)</b>
<b>Balance as at 31st March, 2022</b>	<b>2.52</b>	<b>621.98</b>	<b>(456.45)</b>	<b>168.06</b>
Profit/(loss) for the Year	-	-	206.14	206.14
Other comprehensive income for the year	-	-	-	-
<b>Total Comprehensive Income for the year</b>	-	-	206.14	<b>206.14</b>
<b>Balance as at 31st March, 2023</b>	<b>2.52</b>	<b>621.98</b>	<b>(250.31)</b>	<b>374.20</b>
Profit/(loss) for the Year	-	-	542.14	542.14
Other comprehensive income for the year	-	-	-	-
Share Premium received during the year	-	72.18	-	72.18
Transfer to General Reserve on Forfeiture of Share W	169.29	-	-	169.29
<b>Total Comprehensive Income for the year</b>			<b>542.14</b>	<b>783.61</b>
<b>Balance as at 31st March, 2024</b>	<b>2.52</b>	<b>621.98</b>	<b>291.83</b>	<b>1,157.80</b>

As per our attached report of even date  
For Navin Nishar & Associates

Sd/-  
CA. Navin K. Nishar  
Proprietor  
Membership No. : 101443  
Firm Reg. No.: 116503W  
Place:- Mumbai  
Date:- 17.05.2024

For Zodiac Ventures Limited

Sd/-  
Jimit R. Shah  
Managing Director  
DIN-01580796

Sd/-  
Ramesh Shah  
Director  
DIN-01580767

Sd/-  
Vipul Khona  
Chief Financial Officer

Sd/-  
Rustom Aspi Deboo  
Company Secretary

## ZODIAC VENTURES LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

#### NOTE 1:- SIGNIFICANT ACCOUNTING POLICIES

##### 1.01 Basis of Preparation of Financial Statements

These 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.

##### 1.02 Use of Estimate

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

##### 1.03 Revenue Recognition

###### Revenue from sale of services

Revenue from sale of services is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services.

The Company does not expect to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

###### Revenue for real estate project

Revenue in respect of real estate project is recognised on satisfaction of performance obligation at a point in time by transferring a promised goods or services (i.e. an asset) to a customer and the customer obtains control of that asset.

The satisfaction of performance obligation and the control thereof is transferred from the company to the buyer upon possession or upon issuance of letter for offer of possession ("deemed date of possession"), whichever is earlier, subject to certainty of realization.

###### Interest Income

Revenue from interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

###### Dividend

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

##### 1.04 Inventory Valuation

Work-in-progress is valued at lower of cost or net realizable value. Cost includes direct expenditure relating to construction activity and indirect expenditure (including borrowing costs & Depreciation) during the construction period to the extent the expenditure is related to construction or is incidental.

##### 1.05 Property, plant and equipment and Intangible Assets

Tangible assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of tangible assets which takes, substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

Intangible Assets (the Goodwill) have been tested for Impairment during the year. The Management has taken the valuation Report from Registered Valuer of Associate Company; Zodiac Developers Private Limited. As per the Valuation Report the Management made the reversal of Provision for Impairment in the Value of Investments and accordingly, the Goodwill is valued at Rs.5,93,34,732/-.

**1.06 Depreciation**

The Company depreciates its property, plant and equipment on the Straight Line Method over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act. Depreciation for assets purchased/sold during a period is proportionately charged.

**1.07 Financial Instruments**

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

**i) Financial Assets****i) Initial Recognition and Measurement**

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

**ii) Subsequent Measurement****a Financial Assets carried at amortised cost (AC)**

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

**b Financial assets at fair value through other comprehensive income (FVTOCI)**

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

**c Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

**iii) Investment in subsidiaries, Associates and Joint Ventures**

The Company has accounted for its investments in subsidiaries, associates and joint venture at cost.

**iv) Other Equity Investments**

The Company subsequently measures all equity investments at fair value. There are two measurement categories into which the Company classifies its equity instruments:

◆ Investments in equity instruments at FVTPL: Investments in equity instruments are classified as at FVTPL, unless the Company irrevocable elects on initial recognition to present subsequent changes in fair value in other comprehensive income for equity instruments which are not held for trading.

◆ Investments in equity instruments at FVTOCI: On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserve for 'equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

**v) Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

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

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

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

**vi) De-recognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for 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.

**II) Financial Liabilities****i) Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fee of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

**ii) Subsequent Measurement**

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.

**1.08 Employee Benefits**

The Statutory enactments relating to payment of Provident Fund, ESIC and Gratuity to employees are not applicable to the company. The company does not have any scheme for retirement benefits for its employee and as such no provision towards retirement benefits to employees is considered necessary. Short term employee benefits in the form of leave encashment and Bonus is provided on accrual basis.

**1.09 Borrowing costs**

Borrowing costs relating to acquisition and/or construction of qualifying assets are capitalized to the extent that the funds are borrowed and used for purpose of constructing a qualifying asset until the time all substantial activities necessary to prepare the qualifying assets for their intended use or sale are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

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.

All other borrowing costs which are not related to acquisition and/or construction activities nor are incidental thereto are charged to the Statement of Profit and Loss.

**1.10 Leases**

**As a lessee:-** The company lease assets primarily consists of office premises which are of short term lease with the term of twelve months or less and low value lease. For these short term and low value lease, the company recognizes the lease payments as an expense in the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

**As a lessor:-** Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

**v) Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

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

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

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

**vi) De-recognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for 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.

**II) Financial Liabilities****i) Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fee of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

**ii) Subsequent Measurement**

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.

**1.08 Employee Benefits**

The Statutory enactments relating to payment of Provident Fund, ESIC and Gratuity to employees are not applicable to the company. The company does not have any scheme for retirement benefits for its employee and as such no provision towards retirement benefits to employees is considered necessary. Short term employee benefits in the form of leave encashment and Bonus is provided on accrual basis.

**1.09 Borrowing costs**

Borrowing costs relating to acquisition and/or construction of qualifying assets are capitalized to the extent that the funds are borrowed and used for purpose of constructing a qualifying asset until the time all substantial activities necessary to prepare the qualifying assets for their intended use or sale are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale

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.

All other borrowing costs which are not related to acquisition and/or construction activities nor are incidental thereto are charged to the Statement of Profit and Loss.

**1.10 Leases**

**As a lessee:** The company lease assets primarily consists of office premises which are of short term lease with the term of twelve months or less and low value lease. For these short term and low value lease, the company recognizes the lease payments as an expense in the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases

**As a lessor:** Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

**1.11 Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**1.12 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of 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 recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset and is recognised as an asset.

**1.13 Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**1.14 Dividend**

Provision is made for the amount of any dividend declared on or before the end of the reporting period but remaining undistributed at the end of the reporting period, where the same has been appropriately authorised and is no longer at the discretion of the entity.

NOTE - 2

**PROPERTY, PLANT & EQUIPMENTS**

Rs in Laacs

PARTICULARS	GROSS CARRING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT			
	As At April 1, 2023	Addition	Deletion	As at 31st March 2024	As At April 1, 2023	Expenses for the year	Deletion	As at 31st March 2024	As at 1st April 2023	As at 31st March 2024
<b>TANGIBLE ASSETS</b>										
Building	7.25	-	-	7.25	1.30	0.14	-	1.44	5.95	5.01
Plant and Equipment	2.01	-	-	2.01	1.46	-	-	1.46	0.55	0.55
Office Equipment	18.50	0.30	-	18.79	15.83	0.62	-	16.45	2.67	2.34
Telephone Equipment	11.88	2.20	-	14.07	11.01	1.06	-	12.00	0.87	2.01
Computer Equipment	12.12	7.32	-	19.44	9.34	2.32	-	11.66	2.78	7.78
Furniture and Fixtures	47.55	-	-	47.55	47.41	0.05	-	47.46	0.14	0.09
Vehicles	395.21	-	-	395.21	355.33	19.32	-	374.66	39.88	29.55
<b>Total</b>	<b>494.51</b>	<b>9.81</b>	<b>-</b>	<b>504.32</b>	<b>441.68</b>	<b>23.51</b>	<b>-</b>	<b>465.19</b>	<b>62.83</b>	<b>39.13</b>
Previous year	489.94	4.57	-	494.51	418.69	22.99	-	441.68	71.24	62.83

**ZODIAC VENTURES LIMITED**

Notes to Consolidated Financial Statements for the year ended 31st March 2024

PARTICULARS	As at March 31, 2024 Amount (Rs. in Lacs)	As at March 31, 2023 Amount (Rs. in Lacs)
<b>a) Movement of Deferred Tax Balances</b>		
<b>NOTE : 3 - NON CURRENT INVESTMENT</b>		
<u>Investment Measured at cost</u>		
<u>Investment in Equity Shares</u>		
<u>Unquoted</u>		
1,000 (P.Y.1,000) Equity Shares of Rs. 100/- each fully paid-up in "The Cosmos Co-Operative Bank Limited".	1.00	1.00
	-	-
18,60,465 No of Shares of Gammon Engineers & Contractors Pvt Ltd. of Rs. 43/- Each Fully paid Up	800.12	800.12
<b>Total Investment</b>	<b>801.12</b>	<b>801.12</b>
Aggregate amount of quoted investments at market value		-
Aggregate amount of unquoted investments	801.12	801.12
Aggregate amount of impairment in the value of investments		-
<b>NOTE : 4 - OTHER FINANCIAL ASSETS ( NON CURRENT )</b>		
<b>(Unsecured considered good)</b>		
<b>- Security Deposit -</b>		
(i) SRA and Other Deposits	4.01	4.01
(ii) Rental Deposits (carried at amortised cost)	19.19	19.19
(iii) BG For Anjaneshwar Redevelopment	5.45	5.21
(v) Adani Electricity Deposit	0.52	0.01
(vi) Debris Removal Deposit	0.11	0.11
(vi) I.O.D Deposit	0.06	0.06
(vii) Tree Deposit	3.20	3.20
(vii) Term Deposit PNB 19840	41.61	-
(viii) Deposit (20 Ltr Jar 5 x 150)	0.01	-
- Margin money deposits with bank	1.00	1.00
	<b>75.16</b>	<b>32.79</b>
Fixed Deposit to secure the Company's Cash Credit Loans.	1.00	1.00
<b>NOTE : 5 NON CURRENT TAX ASSETS (NET)</b>		
Income Tax Refund (Net of Provision)	100.11	175.13
	<b>100.11</b>	<b>175.13</b>
<b>NOTE : 6 DEFERRED TAX ASSETS (NET)</b>		
<b>The balance comprises temporary differences attributable to</b>		
Deferred tax assets	8.55	9.08
	<b>8.55</b>	<b>9.08</b>
<b>NOTE : 7 - OTHER NON CURRENT ASSETS</b>		
<b>Unsecured, considered good</b>		
Advance Against Purchase of Plot (Refer Note 35)	717.66	722.66
Advance Against JDA (Refer Note 35)	875.00	875.00
Others receivable	4.52	4.52
	<b>1,597.17</b>	<b>1,602.17</b>
<b>NOTE : 8 INVENTORIES (valued at lower of cost and net realisable value)</b>		
(As certified by management)	8,428.02	6,477.79
Work-in-Progress (Refer Note 26)	<b>8,428.02</b>	<b>6,477.79</b>

PARTICULARS	As at March 31, 2024 Amount (Rs. in Lacs)	As at March 31, 2023 Amount (Rs. In Lacs)
<b><u>NOTE : 9 - TRADE RECEIVABLE ( CURRENT )</u></b>		
<b>Unsecured, considered good</b>		
Receivables from related parties	-	518.26
Others receivable	1,626.04	1,779.68
	<b>1,626.04</b>	<b>2,297.93</b>
<b><u>NOTE : 10 - CASH AND BANK BALANCES</u></b>		
<b><u>(i) Cash and Cash Equivalents</u></b>		
(a) Cash on hand	4.82	2.66
(b) Balances with banks (In current accounts)	257.43	0.67
	<b>262.25</b>	<b>3.33</b>
<b><u>(ii) Other Bank Balances</u></b>		
Unclaimed Dividend Account	0.70	2.31
	<b>0.70</b>	<b>2.31</b>
<b><u>NOTE : 11 - LOAN ( CURRENT )</u></b>		
<b><u>(Unsecured considered good, repayable on demand)</u></b>		
Inter-corporate Loans and Advances	1,732.14	1,342.83
	<b>1,732.14</b>	<b>1,342.83</b>
<b><u>NOTE : 12 - OTHER FINANCIAL ASSETS ( CURRENT )</u></b>		
<b><u>(Unsecured considered good)</u></b>		
Others receivable	534.41	514.65
Staff Loan	0.13	-
	<b>534.54</b>	<b>514.65</b>
<b><u>NOTE : 13 - OTHER CURRENT ASSETS</u></b>		
<b>Unsecured, considered good</b>		
Advance to Staff	2.48	0.42
GST Credit receivable	-	0.46
Other current assets	281.64	10.00
	<b>284.12</b>	<b>10.88</b>
<b><u>NOTE : 14 - EQUITY SHARE CAPITAL</u></b>		
<b><u>Authorised Share Capital</u></b>		
20,00,00,000 (P.Y. 20,00,00,000) Equity Shares of Re. 1 each	<b>2,000.00</b>	<b>2,000.00</b>
<b><u>Issued,Subscribed and Paid up</u></b>		
3,72,90,000 (P.Y. 3,72,90,000) Equity Shares of Re. 1 each, Fully Paid up	372.90	372.90
Add:- Issued During the Period	3.00	-
	<b>375.90</b>	<b>372.90</b>



PARTICULARS	As at March 31, 2024 Amount (Rs. in Lacs)		As at March 31, 2023 Amount (Rs. in Lacs)	
	No. of Shares	Amount (Rs. in Lacs)	No. of Shares	Amount (Rs. in Lacs)
<b>a) Reconciliation of equity share capital</b>				
At the beginning of the period	3,72,90,000	372.90	3,72,90,000	372.90
Issued during the year	3,00,000	3.00	-	-
Outstanding at the end of the period	<b>3,75,90,000</b>	<b>375.90</b>	<b>3,72,90,000</b>	<b>372.90</b>

**b) Terms and rights attached to equity shares**

The Company has only one class of equity share having value of Re. 1 each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Detail of shares held by Promoters & promoter Group in the Zodiac Developer Pvt. Ltd Company:-**

Shares held by promoters at the end of the year 31st March 2024				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Ramesh V Shah	1,25,92,320	33.5	NIL
2	Pushpa R. Shah	52,50,000	13.97	NIL
3	Jimit R. Shah	30,62,320	8.15	10.86
4	Yesha R. Shah	16,35,000	4.35	NIL
5	Sunita J. Shah	17,50,000	4.65	NIL
<b>Total</b>		<b>2,42,89,640</b>	<b>64.62</b>	

Shares held by promoters at the end of the year 31st March 2023				% Change during the year
Sr. No.	Promoter Name	No. of Shares	% of total shares	
1	Ramesh V Shah	1,25,92,320	33.77	NIL
2	Pushpa R. Shah	52,50,000	14.08	NIL
3	Jimit R. Shah	27,62,320	7.41	NIL
4	Yesha R. Shah	16,35,000	4.38	NIL
5	Sunita J. Shah	17,50,000	4.69	NIL
<b>Total</b>		<b>2,39,89,640</b>	<b>64.33</b>	

**NOTE : 15 OTHER EQUITY**

<b>a. Securities Premium</b>	621.98	621.98
Add/Less : Share Premium received during the year	72.18	-
	<b>694.16</b>	<b>621.98</b>
<b>b. General Reserve</b>	2.52	2.52
Add: Transfer to General Reserve on Forfeiture of Share Warrants	169.29	-
	<b>171.81</b>	<b>2.52</b>
<b>c. Retained Earnings</b>		
As per last Balance Sheet	(250.31)	(456.45)
Add/(Less): Profit/(Loss) for the year	542.14	206.14
Less: Write Off of Share of Accumulated Consolidated Profit of Subsidiary due to sale of Share in Subsidiary (Post Acquisition)		-
	<b>291.83</b>	<b>(250.31)</b>
<b>TOTAL (a+b+c)</b>	<b>1,157.80</b>	<b>374.20</b>

PARTICULARS	As at March 31, 2024 Amount (Rs. in Lacs)	As at March 31, 2023 Amount (Rs. In Lacs)
<b>NOTE : 16 SHARE WARRANT</b>		
<b>Particular</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Issue of 2995000 Share Warrant Convertible in Equity Shares of FV Rs. 1/- Partly Paid up value Rs. 0.25 + Including Premium Rs. 6.03/-)	188.08	188.08
Less:-Out of the above 3,00,000 Warrants were fully paid and Converted into shares and balance 26,95,000 warrants were forfeited due to non payment of Call Money during the year	(188.08)	-
<b>Total</b>	-	<b>188.08</b>

The Company has received Amount Towards Share Warrants Convertible in Equity Shares of FV Rs. 1/-

**NOTE : 17 NON CURRENT BORROWINGS**

**Secured**

**(a) Term Loans**

From Bank	23.08	48.48
Less:- Current Maturities (Note No. 19)	(19.62)	(27.15)
<b>Total (a)</b>	<b>3.46</b>	<b>21.33</b>

**(b) Term Loans**

From Other Parties	314.86	293.52
Less:- Current Maturities (Note No. 19)	(36.62)	(39.95)
<b>Total (b)</b>	<b>278.25</b>	<b>253.57</b>
<b>Total (a)+(b)</b>	<b>281.70</b>	<b>274.90</b>

Refer note no. 36 for Nature of Security and terms of repayment for secured borrowings.

**NOTE : 18- OTHER FINANCIAL LIABILITIES (NON CURRENT)**

Security Deposit Received*	1,720.21	1,720.21
	<b>1,720.21</b>	<b>1,720.21</b>

\* In absence of prescribed time period for the security deposit received of Rs. 17,20,21,000/- and visibility about estimated time over which it will be retained the carrying amount in the Balance Sheet is considered as fair value.

**NOTE : 19 CURRENT BORROWINGS**

**(a) Secured (Loans Repayable on Demand)**

**Cash Credit/OD Facility from Banks**

The Cosmos Co. Op. Bank Limited	104.27	-
Punjab National Bank	190.87	218.44
Bank Overdraft Limit from Punjab National Bank	1,471.56	-

**(b) Current Maturities of Long-term Borrowings**

From Bank	19.62	27.15
From Other Parties	36.62	39.95

**(c) Unsecured (Loans Repayable on Demand)**

From Related Parties	1,982.96	1,761.74
From Other Parties	1,083.61	818.98
	<b>4,889.52</b>	<b>2,866.27</b>

Cash Credit from The Cosmos Co. Op. Bank Limited is secured against margin money deposit.

Cash Credit from Punjab National Bank is secured by mortgage/charge on the Residential Property in the name of Managing Director of the Company and his Relative.

PARTICULARS	As at March 31, 2024 Amount (Rs. in Lacs)	As at March 31, 2023 Amount (Rs. in Lacs)
<b><u>NOTE : 20 -TRADE PAYABLES</u></b>		
Micro, Small and Medium Enterprises	-	-
Others	59.82	64.63
	<b>59.82</b>	<b>64.63</b>
<b><u>NOTE : 21 - OTHER FINANCIAL LIABILITIES (CURRENT)</u></b>		
Salary and Wages payable	113.52	82.87
Advances Received from Clients-Refundable	968.85	1,204.11
Others	669.07	484.74
Unpaid Dividend	0.58	2.18
Reimbursement of Expenses Payable to Rustom (Net Banking)	-	-
	<b>1,752.03</b>	<b>1,773.91</b>
<b><u>NOTE : 22 -LIABILITY FOR CURRENT TAX (NET)</u></b>		
Provision for Income tax (Net of TDS and Advance Tax)	14.56	93.78
	<b>14.56</b>	<b>93.78</b>
<b><u>NOTE : 23 - OTHER CURRENT LIABILITIES</u></b>		
Advances Received from Clients for Flat Booking	3,928.53	3,922.82
Advances Received from Clients for Society Formation	95.53	28.86
Withholding and Other Taxes Payable	583.15	521.84
	<b>4,607.21</b>	<b>4,473.32</b>
<b><u>NOTE : 24 - Revenue from operations</u></b>		
Revenue From Sales of Constructed Properties	2.01	9,771.00
Construction-cum-Finance Charges Received	-	-
<b><u>Sale of Services</u></b>		
Architect and Liaisoning Fees	-	5.00
Brokerage Charges	59.14	110.96
Consultancy Income	7.39	2.51
Labour Income	0.11	-
	<b>68.54</b>	<b>9,889.47</b>
<b><u>NOTE : 25 -OTHER INCOME</u></b>		
Rent Received	23.73	23.65
Interest Income	31.16	17.21
Director Remuneration W/off	-	-
Divident Received	0.08	0.08
Labour Charges Received	-	2.00
Interest on IT Refund	0.00	0.59
Discount Received	0.05	0.04
Sundry Balance W/o	-	0.00
Other Income	-	0.01
	<b>55.03</b>	<b>43.59</b>
<b><u>NOTE : 26 CHANGES IN INVENTORIES OF WORK IN PROCESS</u></b>		
Work In Progress at Commencement (Refer Note 8)	6,477.79	14,677.25
Work In Progress at Close	8,428.02	6,477.79
<b>Total (A-B)</b>	<b>(1,950.23)</b>	<b>8,199.45</b>

PARTICULARS	As at March 31, 2024 Amount (Rs. in Lacs)	As at March 31, 2023 Amount (Rs. in Lacs)
<b><u>NOTE : 27- EMPLOYEES BENEFITS EXPENSES</u></b>		
Wages, Salaries and Bonus	374.91	275.56
PF Contribution	1.04	1.81
Staff Welfare	4.11	3.69
Gratuity Paid	4.78	-
	<b>380.05</b>	<b>281.06</b>
<b><u>NOTE : 28- FINANCIAL COSTS</u></b>		
Interest Expense	1,038.20	614.81
Loan Processing Charges	1.25	-
Interest Received on Loan W/off	-	-
Bank Charges	13.22	0.80
	<b>1,052.67</b>	<b>615.61</b>
Less: Interest Income	(92.53)	-
	<b>960.14</b>	<b>615.61</b>

PARTICULARS	As at March 31, 2024 Amount (Rs. in Lacs)	As at March 31, 2023 Amount (Rs. In Lacs)
<b><u>NOTE : 29 - OTHER EXPENSES</u></b>		
Brokerage & Commission	-	3.00
Purchases of Material	-	0.90
Labour Charges	1.12	3.12
Rent	39.60	44.90
Rates and Taxes, excluding Taxes on Income	8.52	51.33
GST Paid	-	0.66
Property tax paid	-	4.00
Stamp Duty & Registration Charges	-	35.94
Legal & Professional Fees	46.92	66.14
Security Expenses	25.85	21.27
Motor Car Expenses	0.28	1.84
Traveling and Conveyance	6.19	1.54
Telephone Charges	2.36	2.42
Office Maintenance	1.45	1.83
Development charges	-	5.36
Power and Fuel	6.19	14.28
Repair & Maintenance	10.11	5.48
Computer Maintenance	0.28	0.35
Listing, Depository & Other Related Charges	3.67	3.33
Insurance Charges	3.55	4.04
Interest on Late Payment of Statutory Dues	7.49	2.15
Printing and Stationery	2.97	1.81
Advertisements	0.75	0.64
Transport Charges	-	0.12
Sales Promotion	3.11	2.61
Monthly Compensation_ Anj	-	52.50
One Time Additional Compansation	-	4.77
One Time Shifting Charges	-	2.75
Excavation Fees & Royalties	-	7.25
Demarcation Charges	-	0.10
Registration Charges	-	0.30
Scrutiny Fees	-	0.62
Trademark Renew Charges	-	0.09
Tree Authority Proc. Charges	0.60	0.10
Donation	0.75	-
Electricity Expenses	0.94	-
ROC Filing Fees	0.02	-
Other Expenses	420.43	-
<b><u>Auditor's Remuneration:-</u></b>		
As Auditors	2.06	2.06
For Other Services	-	0.01
Water Charges	-	-
Miscellaneous Expenses	3.76	2.73
	<b>598.99</b>	<b>352.34</b>
<b><u>NOTE : 30 - Provision of Impairment</u></b>		
Provision of Impairment in the Value of Goodwill on col	(497.80)	-
	<b>(497.80)</b>	<b>-</b>

**NOTE 31:- FINANCIAL RISK MANAGEMENT****(a) Risk Management Framework**

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a core Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

**(b) Liquidity Risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2024 and 31st March, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

**(c) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

**i) 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. This risk exist mainly on account of borrowings of the Company. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

**ii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

**(d) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets.

**i) Trade Receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables.

**ii) Other Financial**

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy.

**(e) Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

**Note 32. FAIR VALUE MEASUREMENTS**

Rs in Lacs

**a) Financial instruments by category**

PARTICULARS	March,31, 2024			March,31, 2023		
	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost
<b>Financial Assets</b>						
Investments	-	-	801.12	-	-	801.12
Loans	-	-	534.54	-	-	514.65
Trade Receivables	-	-	1,626.04	-	-	2,297.93
Cash and cash equivalents	-	-	262.25	-	-	3.33
Other Bank Balances	-	-	0.70	-	-	2.31
Other Financial Assets	-	-	75.86	-	-	35.10
<b>Total</b>	-	-	<b>3,300.51</b>	-	-	<b>3,654.44</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	5,171.22	-	-	3,141.17
Trade Payables	-	-	341.52	-	-	339.53
Other financial liabilities	-	-	3,472.24	-	-	3,494.12
<b>Total</b>	-	-	<b>8,984.98</b>	-	-	<b>6,974.82</b>

**Note 33. FAIR VALUE HIERARCHY**

(a) This section explain the judgments and estimates made in deterring the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value. The Company has classified its financial instruments into the three levels prescribed under the accounting standard

**Financial assets and liabilities measured at fair value**

PARTICULARS	March,31, 2024			March,31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investments	-	-	801.12	-	-	801.12
Loans	-	-	534.54	-	-	514.65
Trade Receivables	-	-	1,626.04	-	-	2,297.93
Cash and cash equivalents	-	-	262.25	-	-	3.33
Other Bank Balances	-	-	0.70	-	-	2.31
Other Financial Assets	-	-	75.86	-	-	35.10
<b>Total</b>	-	-	<b>3,300.51</b>	-	-	<b>3,654.44</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	5,171.22	-	-	3,141.17
Trade Payables	-	-	341.52	-	-	339.53
Other financial liabilities	-	-	3,472.24	-	-	3,494.12
<b>Total</b>	-	-	<b>8,984.98</b>	-	-	<b>6,974.82</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**(c) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments includes:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All the resulting fair value estimates are included in level 2 or level 3, where the fair value have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

**(d) Fair value Estimations**

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind AS 107 "Financial Instruments:Disclosure" Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in a arm's length trasaction other than in forced or liquidation sale. As no readily available market exists for a large part of the Company's Financial Instruments, judgement is necessary in arriving at fair value, based on current economic conditions and specific risk atributable to the instrument. The estimates presented herein are not necessarily indicative of the amount the Company could realise in a market exchange from the sale of its full holding or a particular instrument.

**Dividend/Interest-bearing investments**

Fair value is calculate based on discounted expected future principles and interest cash flows. The carrying amount on the Company's investment are valued at fair value on the basis of fair market rate with reference to the investment with similar credit risk level and maturity period at the reporting date.

**Trade & other receivable / Payables**

The management assessed that Trade Receivables, Cash and Cash equivalents, Bank Balances, Deposits, other non derivative current financial, assets; Short term borrowings,Trade payables; Non derivative Current Financial Liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.

There are no transfers between level 1 and level 2 during the year



**NOTE 34 - RELATED PARTY TRANSACTIONS :****a) List of Related Parties & Relationship:-****i. Key Management Personnel (KMP) :-**

Ramesh V. Shah (Chairman)  
 Jimit Ramesh Shah (Managing Director)  
 Vipul Khona (Chief Financial Officer)  
 Rustom Aspi Deboo (Company Secretary) (w.e.f. 27.12.2019)

**ii. Relatives of KMP :-**

Puspa R Shah  
 Ashvin V Shah  
 Yesha R Shah

**b) Transaction with Related Parties:-**

Rs. in Lacs

Nature of Transaction (Excluding Reimbursements)	31.03.2024	31.03.2023
<b>Short Term Borrowings Taken</b>		
Ramesh V. Shah	93.39	64.63
Jimit Ramesh Shah	1,860.59	1,539.39
Pushpa R Shah	254.01	968.70
	<b>2,207.99</b>	<b>2,572.73</b>
<b>Repayment of Short Term Borrowings Taken</b>		
Ramesh V. Shah	183.74	43.18
Jimit Ramesh Shah	1,463.92	1,144.19
Pushpa R Shah	367.80	540.85
	<b>2,015.45</b>	<b>1,728.22</b>
<b>Construction-cum-Finance Charges Received</b>		
Jimit Ramesh Shah	-	-
Vipul Khona	-	-
Ashvin V Shah	-	-
	<b>-</b>	<b>-</b>
<b>Sale of Residential Flats</b>		
Ramesh V. Shah	-	1,570.00
Jimit Ramesh Shah	-	1,690.00
Pushpa R Shah	-	1,090.00
Yesha R. Shah	-	785.00
	<b>-</b>	<b>5,135.00</b>
<b>Interest Paid</b>		
Ramesh V. Shah	22.62	25.80
Jimit Ramesh Shah	64.51	82.73
Pushpa R Shah	41.63	43.10
	<b>128.77</b>	<b>151.63</b>
<b>Salary and other Employee Benefits</b>		
Ramesh V. Shah	100.00	50.40
Jimit Ramesh Shah	100.00	36.40
Yesha R Shah	-	13.50
Vipul Khona	34.63	26.63
Rustom Aspi Deboo	6.62	5.29
Avinash Aggarwal	-	-
	<b>241.25</b>	<b>132.22</b>
<b>Proceeds from issue of Shares upon conversion of warrants (including Share premium)</b>		
Jimit Ramesh Shah	56.39	-
	<b>-</b>	<b>-</b>
<b>Expenses incurred on behalf of Company</b>		
Rustom Aspi Deboo (Statutory Exp.. Paid on behalf of Company)	0.26	0.31
Rustom Aspi Deboo (Reimbursement of Exp.. Paid on behalf of Company)	-	(0.64)
Vipul Khona (Statutory Exp.. Paid on behalf of Company)	50.32	-
	<b>50.58</b>	<b>(0.33)</b>
<b>Balances Outstanding as at year end</b>		
<b>(a) Short Term Borrowings Taken</b>		
Ramesh V. Shah	213.36	297.41
Jimit Ramesh Shah	1,358.29	939.23
Pushpa R Shah	411.31	525.10
	<b>1,982.96</b>	<b>1,761.74</b>
<b>(b) Advances Received from Clients</b>		
Ramesh V. Shah	463.15	463.15
Jimit Ramesh Shah	459.80	459.80
Pushpa R Shah	-	-
	<b>922.95</b>	<b>922.95</b>
<b>(c) Trade Receivables</b>		
Ramesh V. Shah	-	86.55
Jimit Ramesh Shah	34.54	82.29
Pushpa R Shah	-	66.42
Yesha R. Shah	34.54	283.00
Vipul Khona	-	-
Ashvin V Shah	-	-
	<b>69.08</b>	<b>518.26</b>

**NOTE : 35 -EARNING PER SHARES (EPS)**

Particulars	31.03.2024	31.03.2023
Profit for the year attributable to Equity Shareholders	542.14	206.14
Weighted Average Number of Equity Shares Outstanding During The Year (Nos.)	3,75,90,000	3,72,90,000
Basic /Diluted Earnings Per Share (Rs.)	1.44	0.55
Nominal Value of Equity Share (Rs.)	1.00	1.00

Company do not have any potential dilutive equity shares, hence dilutive earning per share is same as earning per share.

**NOTE 36. NATURE OF SECURITY AND TERMS OF REPAYMENT**

Term loan from Bank amounting to Rs. 40.33 Lacs (P.Y. Rs. 52.47 Lacs) is secured by mortgage/charge on the Residential Property in the name of Managing Director of the Company and his Relatives. Repayable in 36 equal monthly installments commencing from July-2022. Last installment due in June, 2025. Rate of interest 9.25% p.a. as at year end. (P. Y. 7.50% p.a.)

Term loan from PNB Bank amounting to Rs. 8.15 Lacs (P.Y. Rs. 40.36 Lacs) is secured by mortgage/charge on the Residential Property in the name of Managing Director of the Company and his Relatives. Repayable in 18 equal monthly installments commencing from January-2022. Last installment due in June, 2023. Rate of interest 10.40% p.a. as at year end. (P. Y. 11.95%.)

Term loan from India Bulls amounting to Rs. 41.66 Lacs (P.Y. Rs. 64.23 Lacs) is secured by mortgage/charge on the Residential Property in the name of Managing Director of the Company and his Relatives. Repayable in 89 equal monthly installments commencing from October, 2017. Last installment due in February, 2025. Rate of interest 18.75% p.a. as at year end. (P. Y. 16.00% p.a.)

Term loan from India Bulls amounting to Rs. 18.98 Lacs (P.Y. Rs. 29.91 Lacs) is secured by mortgage/charge on the Residential Property in the name of Managing Director of the Company and his Relatives. Repayable in 88 equal monthly installments commencing from October, 2017. Last installment due in January, 2025. Rate of interest 18.75% p.a. as at year end. (P. Y. 16.00% p.a.)

Term loan from India Bulls amounting to Rs. 63.83 Lacs (P.Y. Rs. 67.93 Lacs) is secured by mortgage/charge on the Residential Property in the name of Managing Director of the Company and his Relatives. Repayable in 211 equal monthly installments commencing from May, 2015. Last installment due in November, 2032. Rate of interest 17.25% p.a. as at year end. (P. Y. 14.50% p.a.)

Term loan from Other Parties amounting to Rs. 169.03 Lacs (P.Y. Rs. 168.73 Lacs) is secured by mortgage/charge on the Work-in-Progress at Hanuman Nagar Project of the Company. Repayable in 24 equal quarterly instalments commencing from June, 2020. Last installment due in March, 2026. Rate of interest 16.00% p.a. as at year end. (P. Y. 16.00% p.a.)

**Note 37: Contingent liabilities and commitments**

Particular	Rs in Lacs	
	31.03.2024	31.03.2023
Disputed demand in respect of Income-tax (interest thereon not ascertainable at present.)*	1,090.19	1,090.19
Contingent liabilities in relation to interests in Joint Development Agreement**	875.00	875.00
Contingent liabilities in relation to disputes in its major real estate project***	290.00	290.00

\*Income Tax Demand of Rs. 2,73,64,800/- for assessment year 2011-12 of Associate Company. The matter is pending before the Commissioner Of Income Tax (Appeals).

\*Income Tax Demand of Rs. 8,21,22,690/- for assessment year 2017-18 of Associate Company. The matter is pending before the Commissioner Of Income Tax (Appeals).

\*Income Tax Demand of Rs. 19,29,638/- for assessment year 2016-17. The matter is pending before the Commissioner Of Income Tax (Appeals).

\*Income Tax Demand of Rs. 5,56,271/- for assessment year 2017-18. The matter is pending before the Commissioner Of Income Tax (Appeals).

\*Income Tax Demand of Rs. 18,563/- for assessment year 2018-19. The matter is pending before the Commissioner Of Income Tax (Appeals).

\* TDS-Interest & Penalty of Rs. 1,03,300/- is payable by the Company

\*\*The Associate Company had advanced a sum of Rs. 8,75,00,000/- to Akshar Group in the F.Y. 2017-18. The Associate Company was informed by Akshar Group that they intend to forfeit the entire amount of Rs. 8,75,00,000/- citing breach of contract and default in our obligations to them. The dispute had arisen and there is no improvement in the situation. The Associate Company intends to pursue legal recourse to recover this amount and is confident that the same will be recovered but the case is yet to be filed. The matter is vexed and the Associate company is playing a balancing act to safeguard its interest.

\*\*\*There are several litigations involved in the Hanuman Nagar Project of the Associate Company. There is a dispute with the Joint Developer in the Project. Last year, the arbitration award dated 15th October 2020 has been received for the Hanuman Nagar Project against the Associate Company. But the Associate company has an order from the SRA which contradicts the arbitration award and definitely has more weightage in relative terms. An application under Section 34 of the Arbitration and Conciliation Act 1996 has been filed in the Bombay High Court and the Associate company is confident of winning the same. In the said application, the Associate Company has obtained a stay order from the Bombay High Court against the execution of the said arbitration award. Accordingly, management of the Associate Company is of the opinion that the amount incurred on the project stands good and recoverable along with sizable profits. The construction activity has again resumed for Sale Building No. 7. Further, Associate Company's flagship said Sale Building No. 7 has now been christened as 45-Juhu Residency and Associate Company have received part Occupation Certificate up to the 9th habitable floor. Accordingly, the Associate company visualises sales proceeds, recovery of balance payments on flats sold and also new sales to occur which

\*\*\*\*With regards to the Contempt Petition filed by former flat purchaser in Associate Company's Hanuman Nagar project, Abhishek Jhaveri & Ors in the Bombay High Court, the Associate Company had previously filed consent terms wherein the associate company has paid them Rs. 10 lacs, and balance 290 lacs is payable. The Petitioner has filed the abovementioned Contempt Petition to recover the money and the associate Company is in the process of reaching a settlement and paying the balance amount due. However, two of the associate Company's Bank accounts have been attached and it has sought the Court's permission to release the attachment. The GST number of the Subsidiary Company has been cancelled in November 2019 on account of non compliances of GST regulation by the Department and the associate company is in the process to restore the same.

The Associate Company has given advances for various real estate businesses to several parties and is negotiating with them to close the deals on the projects. These advances have been outstanding for some time but management of the Associate Company feels that the amount advanced are for real estate business and possibilities are being explored. Nevertheless, the amounts stand good and recoverable. The total of such interest free advances are Rs.428.59 Lacs.

#### **Note 38 Segment Reporting**

The Company's Managing director (MD) is identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., 'Real Estate/Real Estate Development and Related Activities' and that most of the operations are in India. Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

#### **Note 39 Micro, Small and Medium Enterprises**

The Company has not received any intimation from any of its suppliers regarding their Status as Micro, Small and Medium Enterprise under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence Disclosures, if any, relating to amounts unpaid as at the end of the year along with interest paid/payable as required under the said act is not applicable in the case of the Company.

#### **Note 40 Impact of COVID-19**

The outbreak of COVID-19 pandemic has adversely impacted our company also like other entities. The company suspended operations in all the ongoing projects in compliance with lockdown instructions issued by the Central and State governments. However, the company has resumed operations in a phased manner in line with subsequent guidelines of the government.

The management is actively monitoring effects of this pandemic on its operations including construction, supplies and workforce and financial condition including liquidity, inventories, receivables, investments and other assets/liabilities. The company has used the principles of prudence in applying judgments, estimates and assumptions in assessing its liquidity position and carrying value of its assets. We expect Covid-19 to negatively impact bookings and collections as well as cancellation of existing bookings in the short term. The stoppage in construction work would also delay deliveries and handing over in projects. The company will continue to monitor developments in future to identify any possible uncertainties and accordingly take actions.

**As per our attached report of even date  
For Navin Nishar & Associates**

**For Zodiac Ventures Limited**

Sd/-  
CA. Navin K. Nishar  
Proprietor  
Membership No. : 101443  
Firm Reg. No.: 116503W  
Place:- Mumbai  
Date:- 17.05.2024

Sd/-  
Jimit R. Shah  
Managing Director  
DIN-01580796

Sd/-  
Vipul Khona  
Chief Financial Officer

Sd/-  
Ramesh Shah  
Chairman  
DIN-01580767

Sd/-  
Rustom Aspi Deboo  
Company Secretary

**Navin K. Nishar**

B.Com., F.C.A., DISA (ICAI)

**Navin Nishar & Associates**

Chartered Accountants

A/504, Rajeshri Accord

Telly Gully Cross Lane

Near Andheri Station

Andheri (E), Mumbai - 400 069

Tel.: 2683 6220 / 2683 6225

Mobile : 98200 72730

e-mail : navin\_nishar@yahoo.co.in

**Independent Auditor's Review Report on Quarterly Unaudited Standalone Financial Results of Zodiac Ventures Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Review Report to,  
**The Board of Directors  
Zodiac Ventures Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Zodiac Ventures Limited ('the Company') for the quarter ended 30th June 2024 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

2. This statement which is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that, we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and



analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Emphasis of Matter**

The Company is engaged in real estate business and development of Real Estate Projects. During the period under review, there are two ongoing Real estate Residential Projects for redevelopment of Societies viz. Anjaneshwar Society and Guruchhaya CHS Projects. The Company has followed the Completed Contract Method for recognizing the Income from the said projects. Therefore, all the expenses incurred for the said projects are capitalized till the completion of projects and the revenue will be recognized on the receipt of Occupation Certificate from the appropriate authorities.

We draw your attention to Note 03 to the financial results which states On 24th February 2022, the Company had issued total of 29,95,000 Warrants convertible into equity shares to 12 subscribers (11 non-promoters and 1 promoter), with the outer date for conversion being 23rd August 2023 (within 18 months, as per SEBI ICDR Regulations). As per ICDR Regulations, at least 25% of the amount on the warrants was received from each of the 12 allottees prior to the allotment of warrants.

On 23rd August 2023, 3,00,000 equity shares were allotted to Mr. Jimit Shah, pursuant to receipt of balance considerations against the 3,00,000 Convertible Warrants (out of a total of 10,00,000 such Warrants held by him). The remaining 26,95,000 Warrants (including 7,00,000 warrants pertaining to Mr. Jimit Shah) lapsed and the initial subscription amount paid thereon forfeited accordingly, in line with the ICDR Regulations and has been transferred to General Reserves Account.

The processes of demat allotment of the 3,00,000 equity shares are currently pending with the RTA/depositories. The listing approval from BSE is also pending due to completion of required formalities.



analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**Emphasis of Matter**

The Company is engaged in real estate business and development of Real Estate Projects. During the period under review, there are two ongoing Real estate Residential Projects for redevelopment of Societies viz. Anjaneshwar Society and Guruchhaya CHS Projects. The Company has followed the Completed Contract Method for recognizing the Income from the said projects. Therefore, all the expenses incurred for the said projects are capitalized till the completion of projects and the revenue will be recognized on the receipt of Occupation Certificate from the appropriate authorities.

We draw your attention to Note 03 to the financial results which states On 24th February 2022, the Company had issued total of 29,95,000 Warrants convertible into equity shares to 12 subscribers (11 non-promoters and 1 promoter), with the outer date for conversion being 23rd August 2023 (within 18 months, as per SEBI ICDR Regulations). As per ICDR Regulations, at least 25% of the amount on the warrants was received from each of the 12 allottees prior to the allotment of warrants.

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The processes of demat allotment of the 3,00,000 equity shares are currently pending with the RTA/depositories. The listing approval from BSE is also pending due to completion of required formalities.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For NAVIN NISHAR & ASSOCIATES  
Firm Registration No. 116503W  
Chartered Accountants





CA. NAVIN K. NISHAR  
Proprietor  
Membership No. 101443.  
ICAI UDIN: 24101443BKHKDP3501

Place: Mumbai  
Dated: 14<sup>th</sup> August, 2024



*Pravin Phandak*  
&  
*Associates*  
Chartered Accountants

**Independent Auditor's Review Report on Quarterly and Year to date Unaudited Standalone Financial Results of the Company, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

Review Report to  
The Board of Directors,  
Zodiac Ventures Limited  
Mumbai

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Zodiac Ventures Limited** (the Company) for the quarter ended September 30, 2024 and the year to date results for the period April 01, 2024 to September 30, 2024 (the statement), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review in of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists primarily of making inquiries of company personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**403, 4<sup>th</sup> Floor & 702/703, 7<sup>th</sup> Floor,  
New Swapnalok CHS Ltd.,  
Natakwala lane, Borivali (west),  
Mumbai – 400 092. Tel : 2801 6119  
Email : [info@pravinca.com](mailto:info@pravinca.com)  
Website : [www.pravinca.com](http://www.pravinca.com)**



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in all material respects in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards (Ind-AS) specified under section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/s Pravin Chandak & Associates  
Chartered Accountants  
Firm Registration No. 116627W

PRAVIN PANKAJ CHANDAK  
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Pravin Chandak  
Partner  
Membership No. 049391  
Place: Mumbai  
Dated: 14<sup>th</sup> November 2024  
UDIN: **24049391BKBNNNG9456**

## ZODIAC VENTURES LIMITED

CIN: L45209MH1981PLC023923

Regd. Office: 205C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vileparle (West), Mumbai 400049  
Tel No: 022-4223 3333 www.zodiacventures.in email id: info@zodiacventures.in

## Standalone Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2024

Sr. No.	Particulars	Quarter Ended			Half Year Ended			(Rs. In Lacs)
		30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24	
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited	
1	(a) Net Sales/Income from operations	59.15	-	59.14	59.15	59.14	59.14	
	(b) Other Income	0.82	0.90	6.00	1.72	12.00	24.12	
	<b>Total Income (a+b)</b>	<b>59.97</b>	<b>0.90</b>	<b>65.14</b>	<b>60.87</b>	<b>71.14</b>	<b>83.26</b>	
2	<b>Expenditure</b>							
	(a) Changes in Inventories of Work-In-Progress	(197.60)	(290.90)	(52.53)	(488.50)	(159.08)	(598.17)	
	(b) Employee Benefit Expense	19.22	23.53	6.68	42.75	29.42	66.71	
	(c) Finance Cost	42.68	56.18	11.54	98.87	22.44	63.74	
	(d) Depreciation & Amortization Expense	1.52	1.20	0.75	2.72	1.43	2.96	
	(e) Other Expenses	135.70	211.18	34.32	346.88	107.22	467.72	
	(f) Loss on Sale of Investment in Subsidiary	-	-	-	-	-	-	
	<b>Total Expenditure (a+b+c+d)</b>	<b>1.52</b>	<b>1.20</b>	<b>0.75</b>	<b>2.72</b>	<b>1.43</b>	<b>2.96</b>	
3	<b>Profit before Exceptional Items &amp; Tax (1-2)</b>	<b>58.45</b>	<b>(0.30)</b>	<b>64.38</b>	<b>58.15</b>	<b>69.71</b>	<b>80.30</b>	
4	Exceptional Items	-	-	-	-	-	-	
5	<b>Profit before Tax (3-4)</b>	<b>58.45</b>	<b>(0.30)</b>	<b>64.38</b>	<b>58.15</b>	<b>69.71</b>	<b>80.30</b>	
6	<b>Tax Expenses</b>							
	i) Income Tax	(14.54)	-	14.66	(14.54)	16.00	30.00	
	ii) Deferred Tax	-	-	-	-	-	(0.16)	
	iii) Tax in respect of Earlier Years	-	-	-	-	-	11.67	
7	<b>Profit after tax (5-6)</b>	<b>43.91</b>	<b>(0.30)</b>	<b>49.72</b>	<b>43.62</b>	<b>53.71</b>	<b>38.78</b>	
8	<b>Other Comprehensive Income</b>						497.80	
9	<b>Total Comprehensive Income</b>	<b>43.91</b>	<b>(0.30)</b>	<b>49.72</b>	<b>43.62</b>	<b>53.71</b>	<b>536.58</b>	
10	Paid up Equity Share Capital (Face Value Rs. 1/-)	375.90	375.90	372.90	375.90	372.90	375.90	
11	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	1,068.74	
12	<b>Earning Per Share (EPS)</b>							
	Basic	0.12	(0.00)	0.13	0.12	0.14	1.43	
	Diluted	0.12	(0.00)	0.13	0.12	0.14	1.43	

## Notes to Standalone Financial Results

- The above results are reviewed by the Audit Committee and approved by the Board of Directors at its meeting Held on 14th November 2024.
- The Company is operating in a single segment viz. Real Estate and Real Estate Development. Hence the results are reported on a single segment basis.
- On 24th February 2022, the Company had issued total of 29,95,000 Warrants convertible into equity shares to 12 subscribers (11 non-promoters and 1 promoter), with the outer date for conversion being 23rd August 2023 (within 18 months, as per SEBI ICDR Regulations). As per ICDR Regulations, at least 25% of the amount on the warrants was received from each of the 12 allottees prior to the allotment of warrants.  
  
On 23rd August 2023, 3,00,000 equity shares were allotted to Mr. Jimit Shah, pursuant to receipt of balance considerations against the 3,00,000 Convertible Warrants (out of a total of 10,00,000 such Warrants held by him). The remaining 26,95,000 Warrants (including 7,00,000 warrants pertaining to Mr. Jimit Shah) lapsed and the initial subscription amount paid thereon forfeited accordingly, in line with the ICDR Regulations.  
  
The processes of extinguishment of the warrants that have lapsed as well as the demat allotment of the 3,00,000 equity shares are currently pending with the RTA/depositories. The listing approval from BSE is also pending due to completion of required formalities.  
  
On 23rd August 2023, 3,00,000 equity shares were allotted to Mr. Jimit Shah, pursuant to receipt of balance considerations against the 3,00,000 Convertible Warrants (out of a total of 10,00,000 such Warrants held by him). The remaining 26,95,000 Warrants (including 7,00,000 warrants pertaining to Mr. Jimit Shah) lapsed and the initial subscription amount paid thereon forfeited accordingly, in line with the ICDR Regulations and has been transferred to General Reserves Account.
- During the quarter, on 18th September 2024, Zodiac Ventures Ltd. has acquired 99,691 equity shares, i.e. 24.98% of the equity share capital of Zodiac Capital Private Limited, a group company, with this investment being intended for the furtherance of a proposed redevelopment project being undertaken by the Company.
- The figures for the corresponding previous periods have been regrouped/rearranged wherever necessary, to make them comparable.

## For Zodiac Ventures Limited

JIMIT  
RAMESH  
SHAH

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Date: 2024.11.14  
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Jimit Shah  
Managing Director  
Place: Mumbai  
Date: 14-Nov-2024

**ZODIAC VENTURES LIMITED**  
**UNAUDITED ASSETS & LIABILITY STATEMENT AS AT 30.09.2024**  
**CIN:- L45209MH1981PLC023923**

(Rs. In Lacs)				
S. No.	Particular	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant and Equipment	14.21	7.337	11.110
	(b) Financial Assets		-	
	(i) Investments	2,120.34	1,612.570	2,110,370
	(ii) Other Financial Assets	135.46	8.693	50.954
	(iii) Deferred tax assets (net)	0.24	0.088	0.245
	(c) Non Current Tax Assets (Net)	6.44	1.620	2.980
	<b>Sub-total - Non-Current Assets</b>	<b>2,276.696</b>	<b>1,630.307</b>	<b>2,175.660</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	1,326.867	399.278	838.366
	(b) Financial Assets			
	(i) Investments	-	-	
	(ii) Trade Receivables	24,340	3,000	3,000
	(iii) Cash and Cash Equivalents	5,820	(8,327)	259,483
	(iv) Other Bank Balances	0.661	0.711	0.700
	(v) Others Financial assets	419.724	407.140	418.974
	(b ) Other Current Assets	30.000	2.535	-
	<b>Sub-total - Current Assets</b>	<b>1,807.411</b>	<b>804.338</b>	<b>1,520.524</b>
	<b>TOTAL - ASSETS</b>	<b>4,084.107</b>	<b>2,434.645</b>	<b>3,696.183</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	375.900	375.900	375.900
	(b) Other Equity	1,112.358	585.872	1,068.743
	(c) Money received against Share Warrants	-	-	-
	<b>Sub-total - Equity</b>	<b>1,488.258</b>	<b>961.772</b>	<b>1,444.643</b>
<b>2</b>	<b>Non-Current Liabilities</b>	-	-	-
	<b>Sub-total - Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	2,140.192	1,420.375	2,196.328
	(ii) Trade Payables	-	-	-
	Micro and Small Enterprise	42,559	-	-
	Other than Micro and Small Enterprise	43,527	24,103	14,611
	(iii) Other Financial Liabilities	345,641	15,739	22,995
	(b) Other Current Liabilities	23,929	12,655	17,607
	(c) Provision	-	-	-
	<b>Sub-total - Current Liabilities</b>	<b>2,595.849</b>	<b>1,472.873</b>	<b>2,251.541</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>4,084.107</b>	<b>2,434.645</b>	<b>3,696.183</b>

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## ZODIAC VENTURES LIMITED

CIN:- L45209MH1981PLC023923

## Unaudited Standalone Cash Flow Statement for the Half Year Ended September 30, 2024

	Particulars	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
<b>A</b>	<b>Cash flow from Operating Activities:</b>			
	Net Profit/(Loss) before Tax as per Statement of Profit and Loss	58.15	53,709	38,780
	Add : Finance Costs	98.87	22,444	63,742
	Add : Depreciation and Amortisation Expense	2.72	1,429	2,962
	Add : Loss on Sale of Shares	-	-	-
	Less : Interest Received	-1.72	(11,963)	(24,067)
	Add: Investment Written Off	-	-	-
	Operating Cash Profit before Working Capital Changes	158.013	65,619	81,416
	<b>Adjusted for:</b>			
	Increase/(Decrease) in Trade and Other Payables	385.90	10,939	13,654
	(Increase)/Decrease in Trade and Other Receivables	-136.55	112,801	61,251
	(Increase)/Decrease in Inventories	-488.50	(159,079)	(598,167)
	Cash Generated from Operations	-81.14	30,280	(441,845)
	Direct Taxes Paid	-3.46	13,043	11,526
			-	-
	Net Cash Inflow/(Outflow) in the course of Operating Activities	(84.601)	43,323	(430,319)
<b>B</b>	<b>Cash flow from Investing Activities:</b>			
	Purchase of Property, Plant and Equipment	(5,815)	(4,509)	(9,815)
	Interest Received	1,724	11,963	24,067
	Add: (Purchase)/Sale of Investment	(9,969)	-	-
	Less: Investment in Shares of Subsidiary Company(Mumbai Mega Food Park Private Ltd.)	-	-	-
	Less: Loans and Advance Given	-	-	-
	Less: Bank Guarantee FD Made and Deposit made with Various Authorities	-	-	-
	Less: Sale of Investments	-	-	-
	Net Cash Inflow / (Outflow) in the course of Investing Activities	(14,060)	7,454	14,253
<b>C</b>	<b>Cash flow from Financing Activities:</b>			
	Proceeds/(Repayment) of Short-Term Borrowings (Net)	(56,135)	(91,445)	684,507
	Finance Costs	(98,867)	(22,444)	(63,742)
	Proceeds From Issue of Shares Warrant	-	56,385	56,385
	Dividends paid (including Dividend Distribution Tax)	-	-	-
	Net Cash Inflow/(Outflow) in the course of Financing Activities	(155,002)	(57,504)	677,150
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(253,663)</b>	<b>(6,726)</b>	<b>261,083</b>
	Opening balance of Cash and Cash equivalents	259,483	(1,600)	(1,600)
	<b>Closing balance of Cash and Cash Equivalents</b>	<b>5,820</b>	<b>(8,327)</b>	<b>259,483</b>

For Zodiac Ventures Limited

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Jimit Shah  
Managing Director  
Place: Mumbai  
Date: 14- Nov -2024



*Pravin Phandak*  
&  
*Associates*  
Chartered Accountants

**Independent Auditor's Review Report on the Quarterly and Year to date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

Review Report to  
The Board of Directors,  
Zodiac Ventures Limited  
Mumbai

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Zodiac Ventures Limited (the 'Parent Company' or 'Company') and its share of the net profit/(loss) after tax and total comprehensive income/(loss) of its associate companies for the quarter ended September 30, 2024, and the year-to-date results for the period April 01, 2024, to September 30, 2024, along with notes (the 'Statement'), attached herewith, being submitted by the Parent Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Parent Company's Management and approved by the Parent Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 as amended (the Act), read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard required that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular no. CIR/CFD/CMDI/44/2019 dated March 29, 2019, issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

**403, 4<sup>th</sup> Floor & 702/703, 7<sup>th</sup> Floor,  
New Swapnalok CHS Ltd.,  
Natakwala lane, Borivali (west),  
Mumbai - 400 092. Tel : 2801 6119  
Email : [info@pravinca.com](mailto:info@pravinca.com)  
Website : [www.pravinca.com](http://www.pravinca.com)**

4. The Statement includes results of the following component entities:

Parent Company:

- Zodiac Ventures Limited

Associate Companies:

- Zodiac Developers Private Limited
- Zodiac Capital Private Limited
- Mumbai Mega Food Park Private Limited

5. Based on our review conducted and procedure performed as per para 3 above and upon considerations of reports of other auditors read with para 6 below and management certified financial information, nothing further has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards i.e. 'Ind AS' prescribed under Section 133 of the Act, read with relevant Rules issued thereunder and other recognized accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulation, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Other Matters

The accompanying Statement includes unaudited interim consolidated financial results and other unaudited financial information relating to the Parent Company's share of net profit/(loss) after tax and total comprehensive income/(loss) in respect of three associate companies for the quarter ended September 30, 2024, and for the year-to-date period from April 01, 2024, to September 30, 2024. The Parent Company's share of net profit/(loss) after tax of these associates is Rs. (9.12) lakh and Rs. (8.36) lakh for the quarter ended September 30, 2024, and year-to-date period from April 01, 2024, to September 30, 2024, respectively, as considered in this Statement. The financial results of these associates are reviewed by their independent auditors whose review report have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosure in respect of these associate companies is based solely on the reports of such auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of above matters.

For M/s Pravin Chandak & Associates

Chartered Accountants

Firm Registration No. 116627W

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Pravin Chandak

Partner

Membership No. 049391

Place: Mumbai

Dated: 14<sup>th</sup> November, 2024

UDIN: 24049391BKBNNH1991

**ZODIAC VENTURES LIMITED**  
CIN: L45209MH1981PLC023923

Regd. Office: 295C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vileparle (West), Mumbai 400049  
Tel No: 022-4223 3333 www.zodiacventures.in email id: info@zodiacventures.in

**Consolidated Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2024**

Sr. No.	Particulars	(Rs. in Lacs)					
		Quarter Ended			Half Year Ended		Year Ended
		30-Sep-24	30-Jun-24	30-Sep-23	30-Sep-24	30-Sep-23	31-Mar-24
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited	
1	(a) Net Sales/Income from operations	59.15	-	59.14	59.15	59.14	59.14
	(b) Other Income	0.82	0.90	6.00	1.72	12.00	24.12
	(c) Prior Period Expenses Written Back (Refer Note No-5)	-	-	-	-	-	-
	<b>Total Income (a+b+c)</b>	<b>59.97</b>	<b>0.90</b>	<b>65.14</b>	<b>60.87</b>	<b>71.14</b>	<b>83.26</b>
2	<b>Expenditure</b>						
	(a) Changes in Inventories of Work-In-Progress	(197.60)	(290.90)	(52.53)	(488.50)	(158.08)	(588.17)
	(b) Employee Benefit Expense (Refer Note No-6)	19.22	23.53	6.68	42.75	29.42	66.71
	(c) Finance Cost	42.68	56.18	11.54	98.87	22.44	63.74
	(d) Depreciation & Amortization Expense	1.52	1.20	0.75	2.72	1.43	2.96
	(e) Other Expenses	135.70	211.18	34.32	346.88	107.22	467.72
	<b>Total Expenditure (a+b+c+d+e)</b>	<b>1.52</b>	<b>1.20</b>	<b>0.75</b>	<b>2.72</b>	<b>1.43</b>	<b>2.96</b>
3	<b>Profit before Exceptional Items &amp; Tax (1-2)</b>	<b>58.45</b>	<b>(0.30)</b>	<b>64.38</b>	<b>58.15</b>	<b>69.71</b>	<b>80.30</b>
4	Exceptional Items	-	-	-	-	-	-
5	<b>Profit(Loss) before Tax (3-4)</b>	<b>58.45</b>	<b>(0.30)</b>	<b>64.38</b>	<b>58.15</b>	<b>69.71</b>	<b>80.30</b>
6	<b>Tax Expenses</b>						
	(i) Income Tax	(14.54)	-	(14.66)	(14.54)	(16.00)	(30.00)
	(ii) Deferred Tax	-	-	-	-	-	(0.16)
	(iii) Tax in respect of Earlier Years	-	-	-	-	-	(11.67)
7	<b>Profit(Loss) for the period (5-6)</b>	<b>43.91</b>	<b>(0.30)</b>	<b>49.72</b>	<b>43.62</b>	<b>53.71</b>	<b>38.47</b>
8	<b>Profit(Loss) for the period in Associate Company</b>	<b>(8.12)</b>	<b>0.75</b>	<b>1.16</b>	<b>(8.36)</b>	<b>3.21</b>	<b>12.82</b>
9	<b>Profit(Loss) for the period after Profit(Loss) in Associate Company</b>	<b>34.79</b>	<b>0.46</b>	<b>50.88</b>	<b>35.26</b>	<b>56.92</b>	<b>51.29</b>
10	Other Comprehensive Income	-	-	-	-	-	497.80
11	<b>Total Comprehensive Income(Loss) for the period (7+8)</b>	<b>34.79</b>	<b>0.46</b>	<b>50.88</b>	<b>35.26</b>	<b>56.92</b>	<b>548.88</b>
12	<b>Paid up Equity Share Capital (Face Value Rs. 1/-)</b>	<b>375.90</b>	<b>375.90</b>	<b>372.90</b>	<b>375.90</b>	<b>372.90</b>	<b>375.90</b>
13	<b>Other Equity excluding Revaluation Reserve</b>						
14	<b>Earning Per Share (EPS)</b>						
	Basic	0.09	0.00	0.14	0.09	0.15	1.46
	Diluted	0.09	0.00	0.14	0.09	0.15	1.46

**Notes to Consolidated Financial Results**

- The consolidated Financial Results comprise the results of Zodiac Ventures Limited and its Associate Company Zodiac Developers Private Limited and Mumbai Mega Food Park Pvt Ltd, which are consolidated in accordance with Ind AS 110 on Consolidation of Financial Statements.
- Zodiac Developers Pvt. Ltd (ZDPL), having controlling interest in the associate company, is engaged in real estate business. There are several litigations involved in the Hanuman Nagar Project of the said associate Company. There is a dispute with the Joint Developer in the Project. During 2020-21, the arbitration award dated 15th October 2020 has been received for the Hanuman Nagar Project. But the Associate Company has an order from the SRA which contradicts the arbitration award and definitely has more weightage in relative terms. An application under Section 34 of the Arbitration and Conciliation Act 1996 has been filed in the Bombay High Court and the Associate Company is confident of winning the same. In the said application, the Company has obtained a Stay Order from the Bombay High Court against the execution of the said arbitration award. Accordingly, management of the Associate Company is of the opinion that the amount incurred on the project stands good and recoverable along with sizeable profits. Further, our flagship said Sale Building No. 7 has now been christened as 45-Juhu Residency and we have received part Occupation Certificate up to the 5th habitable floor. Accordingly, the Associate Company visualizes sales proceeds, recovery of balance payments on flats sold and also new sales to occur which will improve the Cash Flow.
- With regard to the Contempt Petition filed by former flat purchaser Abhishek Jhaveri and Ors. in the Hanuman Nagar project undertaken by associate company Zodiac Developers Pvt. Ltd. in the Bombay High Court, arising out of the Consent Terms previously entered between Zodiac Developers Pvt. Ltd. and the said purchaser, a settlement has been reached in respect of the payment of the balance amount payable by Zodiac Developers Pvt. Ltd., and the Bombay High Court has accordingly passed an Order dated 30th September 2024, by which Zodiac Developers Private Limited has been directed to make the balance payment of Rs. 2,60,10,291 across seven monthly instalments. However, two of Zodiac Developers Pvt. Ltd. bank accounts which had been attached by virtue of proceedings connected with this matter, remain attached, and we have sought the Court's permission to release the attachment.
- Zodiac Developers Pvt. Ltd (ZDPL), an Associate company, had advanced a sum of Rs. 8,75,00,000/- to Akshar Group in the F.Y. 2017-18. The Associate Company was informed by Akshar Group that they intend to forfeit the entire amount of Rs. 8,75,00,000/- citing breach of contract and default in our obligations to them. The dispute had arisen and there is no improvement in the situation. The Associate Company intends to pursue legal recourse to recover this amount and is confident that the same will be recovered but, the case is yet to be filed. The matter is vexed and the Associate Company is playing a balancing act to safeguard its interest.
- On 24th February 2022, the Company had issued total of 29,95,000 Warrants convertible into equity shares to 12 subscribers (11 non-promoters and 1 promoter), with the outer date for conversion being 23rd August 2023 (within 18 months, as per SEBI ICDR Regulations). As per ICDR Regulations, at least 25% of the amount on the warrants was received from each of the 12 allottees prior to the allotment of warrants.  
On 23rd August 2023, 3,00,000 equity shares were allotted to Mr. Jimit Shah, pursuant to receipt of balance considerations against the 3,00,000 Convertible Warrants (out of a total of 10,00,000 such Warrants held by him). The remaining 26,95,000 Warrants (including 7,00,000 warrants pertaining to Mr. Jimit Shah) lapsed and the initial subscription amount paid thereon forfeited accordingly, in line with the ICDR Regulations.  
The processes of extinguishment of the warrants that have lapsed as well as the demat allotment of the 3,00,000 equity shares are currently pending with the RTA/depositories. The listing approval from BSE is also pending due to completion of required formalities.  
On 23rd August 2023, 3,00,000 equity shares were allotted to Mr. Jimit Shah, pursuant to receipt of balance considerations against the 3,00,000 Convertible Warrants (out of a total of 10,00,000 such Warrants held by him). The remaining 26,95,000 Warrants (including 7,00,000 warrants pertaining to Mr. Jimit Shah) lapsed and the initial subscription amount paid thereon forfeited accordingly, in line with the ICDR Regulations and has been transferred to General Reserves Account.
- During the quarter, on 18th September 2024, Zodiac Ventures Ltd. has acquired 99,691 equity shares, i.e. 24.96% of the equity share capital of Zodiac Capital Private Limited, a group company, with this investment being intended for the furtherance of a proposed redevelopment project being undertaken by the Company.
- The Consolidated financial results should be read in conjunction with the notes to the financial results for the Quarter ended 30th September, 2024.

**For Zodiac Ventures Limited**

JIMIT  
RAMESH  
SHAH

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JIMIT RAMESH  
SHAH  
Date: 2024.11.14  
20:40:00 ZST

Jimit Shah  
Managing Director  
Place: Mumbai  
Date: 14 Nov 2024

**ZODIAC VENTURES LIMITED**  
**CONSOLIDATED UNAUDITED ASSETS & LIABILITY STATEMENT AS AT 30.09.2024**  
**CIN:- L45209MH1981PLC023923**

		(Rs. In Lacs)		
S. No.	Particular	30.09.2024 (Unaudited)	30.09.2023 (Unaudited)	31.03.2024 (Audited)
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Property, Plant & Equipments	14.21	7.34	11.11
	(b) Goodwill on consolidation			
	(c) Financial Assets			
	(i) Investments	2,318.11	1,816.34	2,316.42
	(ii) Other financial assets	135.46	8.69	50.95
	(d) Non - Current tax assets (net)	6.44	1.62	2.98
	(e) Deferred tax assets (net)	0.24	0.09	0.24
	(f) Other non-current assets			
	<b>Sub-total - Non-Current Assets</b>	<b>2,474.47</b>	<b>1,834.08</b>	<b>2,381.71</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Inventories	1,326.87	399.28	838.37
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade Receivables	24.34	3.00	3.00
	(iii) Cash and Cash Equivalents	5.82	(8.33)	259.48
	(iv) Other Bank Balances	0.66	0.71	0.70
	(v) Loans	-		
	(vi) Others Financial assets	419.72	407.14	418.97
	(c) Other Current Assets	30.00	2.54	-
	<b>Sub-total - Current Assets</b>	<b>1,807.41</b>	<b>804.34</b>	<b>1,520.52</b>
	<b>TOTAL - ASSETS</b>	<b>4,281.88</b>	<b>2,638.42</b>	<b>3,902.24</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	(a) Equity Share Capital	375.90	375.90	375.90
	(b) Other Equity	1,310.13	789.65	1,274.80
	(c) Money received against Share Warrants	-	-	
	<b>Sub-total - Equity</b>	<b>1,686.03</b>	<b>1,165.55</b>	<b>1,650.70</b>
<b>2</b>	<b>Non- controlling Interests</b>			
<b>3</b>	<b>Non-Current Liabilities</b>			
	(a) Financial liabilities			
	(i) Long Term Borrowings			
	(ii) Other financial liabilities			
	<b>Sub-total - Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	2,140.19	1,420.38	2,196.33
	(ii) Trade Payables	86.09	24.10	14.61
	(iii) Other Financial Liabilities	345.64	15.74	22.99
	(b) Liability for current tax (Net)			
	(c) Other current liabilities	23.93	12.66	17.61
	(d) Provision			
	<b>Sub-total - Current Liabilities</b>	<b>2,595.85</b>	<b>1,472.87</b>	<b>2,251.54</b>
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>4,281.88</b>	<b>2,638.42</b>	<b>3,902.24</b>

Digitally signed by  
**JIMIT RAMESH SHAH**  
 Date: 2024.11.14  
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The following tables present certain accounting and other ratios compared on the basis of the Audited Financial Information. For details, see “Financial Statements” on page 83

## Accounting Ratios:

Particulars	Based on standalone Financial Statements			Based on Consolidated Financial Statements		
	March 31,2024	March 31,2023	March 31,2022	March 31,2024	March 31,2023	March 31,2022
Basic earnings per share (₹) (for continued operations)	1.44	0.26	(1.48)	1.44	0.55	(1.48)
Diluted earnings per share (₹) (for continued operations)	1.44	0.26	(1.48)	1.44	0.55	(1.48)
Return on Net Worth (%)	2.68%	11.40%	-9.76%	3.37	3.76	5.65
Net Asset Value per Equity Share (₹)	3.84	2.28	1.52	4.08	2.51	1.95
EBITDA (₹ in lakhs)	147	150.11	(30.13)	1090.08	1100.21	674.09

The formula used in the computation of the above ratios is as follows:

	Net profit /(Loss) after Tax as per statement of profit and loss at to Equity Shareholders ( after adjusting non controlling interest ) after exceptional item ,as applicable/ weighted Average number of Equity Shares.
Diluted earnings per share	Net Profit/(Loss) after Tax as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (after adjusting non-controlling interest) after exceptional item, as applicable/Weighted Average number of Equity Shares (including convertible securities).
Return on net worth (in %).	Profit/(Profit/(Loss) for the Year as per Consolidated Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)/Net worth at the end of the year on basis.
Net Worth as per 2(1)(hh) SEBI (ICDR) Regulations, 2018:	Net worth means the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure, and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write -back of depreciation, and amalgamation.
Net asset value per Equity Share	Net Worth on consolidated basis divided by the number of Equity Shares outstanding for the year.
EBITDA	Profit/(Loss) for the year before finance costs, tax, depreciation, amortization, and exceptional items as presented in the Consolidated Statement of Profit and Loss

**Calculation of Return of NetWorth***(In ₹lakhs, unless otherwise specified)*

Particulars	Based on Standalone Audited Financial Statements			Based on Consolidated Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022	March 31,2024	March 31,2023	March 31,2022
Net Profit after Tax (before OCI) (A)	38.78	97.11	(55.30)	51.78	351.78	41.24
Net Worth (B)*	1,444.64	851.68	566.48	1533.70	935.18	729.04
Return of Net Worth (A/B) (%)	2.68	11.40	-9.76%	3.37	37.62	5.66

\* Net Worth as per 2(1)(hh) of SEBI (ICDR) Regulations, 2018.

**Calculation of Net asset value per Equity Share***(In ₹ lakhs, unless otherwise specified)*

Particulars	Based on Standalone Audited Financial Statements			Based on Consolidated Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022	March 31,2024	March 31,2023	March 31,2022
Net Worth (A)(₹ in lakhs)	1,444.64	851.68	566.48	1533.70	935.18	729.04
No. of Shares(B)(in numbers)	3,75,90,000	3,72,90,000	3,72,90,000	3,75,90,000	3,72,90,000	3,72,90,000
Net Assets Value[(Ax100,000)/B]	3.84	2.28	1.52	4.08	2.51	1.95

**Calculation of EBITDA***(In ₹lakhs, unless otherwise specified)*

Particulars	Based on Standalone Audited Financial Statements			Based on Consolidated Audited Financial Statements		
	March 31,2024	March 31,2023	March 31,2022	March 31,2024	March 31,2023	March 31,2022
Net Profit/(Loss)after Tax	38.78	97.11	(55.30)	51.78	351.78	41.24
Add: Taxes	41.52	21.91	-	54.65	109.83	21.44
Add: Interest	63.74	29.92	24.74	960.14	615.61	586.84
Add: Depreciation	2.96	1.17	0.43	23.51	22.99	24.54
Add: Exceptional Items	-	-	-	-	-	-
EBITDA	147	150.11	(30.13)	1090.08	1100.21	674.06

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial condition and results of operations together with our Audited Financial Statements as of and for the year ended March 31, 2024 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Statements" on page 83 of this Draft Letter of Offer. Unless otherwise stated, the financial information used in this chapter is derived from the Audited Financial Statements of our Company.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward Looking Statements" on pages 28 and 20 respectively, of this Draft Letter of Offer.

Our financial year ends on March 31 of each year, so all references to a particular "Financial year" and "Fiscal" are to the twelve (12) month period ended March 31 of that financial year. References to the "Company", "we", "us" and "our" in this chapter refer to Zodiac Ventures Limited, as applicable in the relevant period, unless otherwise stated. Unless otherwise indicated or the context requires, the financial information for Financial Year 2024 included in this Draft Letter of Offer. For further information, see "Financial Statements" beginning on page 83.

### OVERVIEW OF OUR COMPANY

Zodiac Ventures Ltd. is a public company listed on the Bombay Stock Exchange (BSE: 503641). Established in 1981 in Mumbai, Zodiac Ventures Limited, its Promoters and its subsidiaries are engaged in the business of developing real estate projects in the residential space. The key focus area of the business has been the redevelopment of slum areas, cessed buildings, housing societies or old buildings belonging to the MCGM.

The Company is backed by promoters Mr. Ramesh Shah and Mr. Jimit Shah who are also the promoters of the subsidiary company Zodiac Developers Private Limited in which the Company holds a 51% stake. They have combined experience of 35 years in the Indian real estate market.

The company acquires and develops land that has locational advantages and are reasonably priced. In developing these properties, they place an emphasis on architecture, infrastructure, raw materials and facilities and seek to apply aesthetic design techniques to make the optimum use of available space.

The Company and its associates have completed projects with a total built-up area of 2.16 lac sq.ft. in Andheri, Vile Parle and Bandra. They have ongoing projects located at Juhu and Vile Parle and upcoming projects at Andheri with a total saleable area of about 3.28 lac sq.ft.

### SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATION

Our business, financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 28. The following are certain factors that had, and we expect will continue to have, a significant effect on our business, financial condition and results of operations:

- Increasing competition in the Industry;
- Ability to comply with the quality requirement of customers as well as regulatory authorities;
- Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
- Changes in fiscal, economic or political conditions in India;
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.

### SIGNIFICANT ACCOUNTING POLICIES

The accounting policies have been applied consistently to the periods presented in the Audited Financial Statements. For details of our significant accounting policies, please refer chapter titled "Financial Statements" on page 83 of this Draft Letter of Offer

**CHANGE IN ACCOUNTING POLICIES**

There has been no change in accounting policies during the Financial Year 2024

**RESERVATIONS, QUALIFICATION AND ADVERSE REMARK /OTHER OBSERVATION IN CARO**

The following is the summary of qualifications/reservations/emphasis of matters/adverse remarks/other observations in CARO (as applicable) in the Audited Financial Statements for the Financial Year 2023-2024

Period	Type of Financials	Qualifications/ Reservations/ Matter of Emphasis/ Adverse Remarks/ Other Observations in CARO
Financial Year	Standalone	<p><u>Qualifications/Reservations/Adverse Remarks:</u></p> <p>NIL</p> <p><u>Matter of Emphasis:</u></p> <p>NIL</p> <p>Other Observations in CARO:</p> <p>vii. In respect of statutory dues:</p> <p>(b) No other statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.</p>

Particulars	CURRENT PERIOD F.Y 2023-2024 Amount in Rupees	PREVIOUS YEAR F.Y 2022-2023 Amount in Rupees	PREVIOUS YEAR F.Y 2021-2022 Amount in Rupees	PREVIOUS YEAR F.Y 2020-2021 Amount in Rupees
<b>INCOME</b>				
I Revenue from Operation	59,14,000	115,96,000	79,50,000	20,00,000
II Other income	24,12,000	17,20,000	27,624	-
<b>III. Total Revenue(I+II)</b>	<b>83,26,000</b>	<b>1,33.16,000</b>	<b>79,77,624</b>	<b>20,00,000</b>
<b>IV EXPENSES</b>				
Material Purchase	0.00	0.00	0	0.00
Increase /Decrease in Stock in Trade	(5,98,17,000)	(2,29,04,000)	11,16,346	0.00
Employees Benefit	66,71,000	66,20,000	6,92,262	

Expenses				1,86,134
Finance Costs	63,74,000	29.92	24,73,793	12,57,934
Other expenses	467,72,000	149,89,000	19,15,134	7,52,686
Depreciation	2,96,000	1,17,000	42,967	3,249
<b>Total Expenses</b>	<b>2,96,000</b>	<b>14,14,000</b>	<b>1,35,07,809</b>	<b>22,00,003</b>
<b>V. PROFIT before exceptional and extraordinary items and tax (III-IV)</b>	<b>38,78,000</b>	<b>97,11,000</b>	<b>55,30,185</b>	<b>2,00,003</b>
<b>VI. Profit after extraordinary items and tax(V)</b>	<b>38,78,000</b>	<b>97,11,000</b>	<b>55,30,185</b>	<b>2,00,003</b>
<b>VII .Profit before tax</b>	<b>80,30,000</b>	<b>119,02,000</b>	<b>55,30,185</b>	<b>2,00,003</b>
<b>VIII Tax Expenses</b>	<b>(41,52,000)</b>	<b>(21,91,000)</b>	<b>0.00</b>	<b>0.00</b>
1)Current Tax	30,00,000	22,00,000	0.00	0.00
2) Deferred Tax	16,000	9,000	0.00	0.00
Less Adjustment of earlier year	11,67,310	-	-	-
<b>IX. Profit (loss) for the period from continuing operation</b>	<b>38,78,000</b>	<b>97,11,000</b>	<b>55,30,185</b>	<b>2,00,003</b>
<b>X. Profit (loss)for the Discontinuing operations(after tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>XI. Basic and diluted EPS</b>	<b>1.44</b>	<b>0.26</b>	<b>(1.48)</b>	<b>(0.01)</b>

### Results of our Operations

The following table sets forth certain information with respect to our results of operations for the periods indicated

#### Financial Year 2024 compared to Financial Year 2023

##### *Financial Year 2023 compared to Financial Year 2022*

##### **Total Revenue**

Our total revenue for the Financial Year 2024 was Rs.83,26,000/- as compared to ₹133,16,000/-for the Financial Year 2023.

Our total revenue for the Financial Year 2022 was Rs. 79,77,624/- as compared to Rs133,16,000/- for the financial year and quarter ended 2023.

##### **Revenue from Operations**

Our revenue from operations for the Financial Year 2024 was Rs. 59,14,000/- as compared to Rs. 115,96,000/- for the Financial Year 2023.

Our revenue from operation the Financial Year 2022 was Rs. 79,50,000/- as compared to Rs115,96,000/-for the financial year and quarter ended 2023

##### **Other income**

Other income for the Financial Year 2024 was Rs. 24,12,000/- as compared to Rs. 17,20,000/- for the Financial Year 2023,.

Other income for the Financial Year 2022 wasRs 27,624/- as compared to Rs. 17,20,000/- for the financial year ended 2023

##### **Expenses**

Our total expenditure for the Financial Year 2024 was Rs. 2,96,000/- as compared to Rs. 14,14,000/- for the Financial Year 2023.

Our total expenditure for Financial Year 2022 was Rs. 1,35,07,809/- as compared to Rs. 14,14,000/- for the Financial year and quarter ended 2023

##### **Material Purchase**

The Material Purchase for the Financial Year 2024 was Rs.0.00/- as compared to Rs0.00/- for the Financial Year 2023. There was decreasein volume of material purchase.

The Material Purchase for the Financial Year 2022 was Rs0.00/- as compared to Rs.0.00/- for the Financial year and quarter ended 2023.There was increase in volume of material purchase.

##### **Employee benefit expenses**

Employee benefit expense for the Financial Year 2024 was Rs 66,71,000/- as compared to Rs. 66,20,000/- for the Financial Year 2023. This decrease was primarily increase in Employee benefit expenses.

Employee benefit expenses for the Financial Year 2022 was Rs. 6,92,262/- as compared to Rs.66,20,000/- for the Financial year and quarter ended 2023.

***Other expenses***

Other expenses for the Financial Year 2024 were ₹ 467,72,000/- as compared to ₹ 149,89,000/- for the Financial Year 2023.

Other expenses for the quarter Financial Year 2022 was Rs. 19,15,134/- as compared to Rs. 149,89,000/- for the Financial year and quarter ended 2023

***Profit/(loss) before before exceptional and extraordinary items and tax share.***

Profit/(loss) before before exceptional and extraordinary items and tax share for the Financial Year 2024 was Rs 80,30,000 as compared to Rs 119,02,000 for the Financial Year 2023.

Profit/(loss) before before exceptional and extraordinary items and tax share for the Financial Year 2022 was Rs 55,30,185 as compared to Rs 119,02,000 for the Financial year and quarter ended 2023

***Profit after extraordinary items and tax***

Profit after extraordinary items and tax for the Financial Year 2024 was 3 Rs 38,78,000/- as compared to Rs. 97,11,000/- for the Financial Year 2023. This increase in profit was due to profit .

Profit after extraordinary items and tax for the Financial Year 2022 was Rs 55,30,185/- as compared to Rs. 97,11,000/- for the Financial year and quarter ended 2023

***Profit/(loss) before Tax***

The profit/(loss) before tax for the Financial Year 2024 was Rs. 80,30,000 /- as compared to Rs 119,02,000 /- for the Financial Year 2023.

The profit/(loss) before tax for the Financial Year 2022 was Rs 55,30,185/- as compared to Rs 119,02,000 /- for the Financial year and quarter ended 2023

***Tax expenses***

The Tax Expenses for the Financial Year 2024 was Rs.(41,52,000)/- as compared to Rs.(21,91,000)/- for the Financial year and quarter ended 2023

The profit/(loss) before tax for the Financial Year 2022 was Rs 0.00/- as compared to Rs. .(21,91,000)/- for the Financial year and quarter ended 2023

**Unusual or Infrequent Events or Transactions**

Other than as described in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as “unusual” or “infrequent”.

**Significant dependence on a Single or Few Suppliers or Customers**

Other than as described in this Draft Letter of Offer, particularly in chapter titled “Risk Factors” on page 28 , to our knowledge, there is no significant dependence on a single or few customers or suppliers.

**Related Party Transactions**

For details, please refer to the chapter titled “Financial Statements” beginning on page 83 of this Draft Letter of Offer.

**Significant developments after March 31, 2024, that may affect our future results of operations**

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after March 31, 2024, that may affect our future results of operations.

## **MATERIAL DEVELOPMENTS**

Except as stated elsewhere in this Draft Letter of Offer and as disclosed below, to our knowledge, no circumstances have arisen since March 31, 2024, which materially or adversely affect or are likely to affect, within the next 12 months, our operations, performance, prospects or profitability, or the value of our assets or our ability to pay our liabilities.

### **Quantitative And Qualitative Disclosure About Market Risk**

#### **Commodity price risk**

Commodity price risk is the possibility of impact from changes in the prices of raw materials and components used therein. The costs for these materials and components are subject to fluctuation based on commodity prices. The costs of various components sourced from third party manufacturers may also fluctuate based on their availability from suppliers.

#### **Credit risk**

We are exposed to credit risk from our operating and financial activities. We manage credit risk in relation to our customers by ensuring that our marketing department follows our established policies, procedures and controls, and by reviewing the creditworthiness of our customers on an on-going basis. We estimate expected credit loss on the basis of past experience and data, and provide for doubtful debts accordingly.

#### **Liquidity risk**

We may experience liquidity risk due to the accumulation of receivables due from our clients which exposes us to the risk of not being able to meet our obligations. The senior management team of our Company oversees our processes and policies are formulated to minimise such risk.

#### **Equity price risk**

Our Company has invested in the equity shares of our Subsidiaries as a part of our overall business strategy and growth policy. Accordingly, we are exposed to risk because of fluctuations to the prices of the equity shares. We manage our exposure to this risk by placing limits on the individual and total equity investment carried out by us in our Subsidiaries based on their respective business plans.

### **Qualitative Disclosure about Market Risk**

#### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Letter of Offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the section titled "Risk Factors" beginning on page no. 28 of this Draft Letter of Offer respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**



Other than as described in the section titled “*Risk Factors*” beginning on page no. 28 of this Draft Letter of Offer, in our opinion there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Other than as described in the section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on pages 28 and 155 respectively of this Draft Letter of Offer, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company’s future costs and revenues will be determined by demand/supply situation and government policies.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices**

Increases in our revenues are by and large linked to increases in the volume of activities carried out by the Company.

**6. Total turnover of each major industry segment in which the issuer company operated**

Our Company is in the business of real estate. For details on revenue break-up from each segment, kindly refer the chapter titled “**Our Business**” beginning on Page 70 of this Draft Letter of Offer.

**7. Status of any publicly announced new products or business segment**

Our Company has not announced any new product or business segment.

**8. The extent to which business is seasonal**

Our business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers**

Other than as described in this Draft Letter of Offer, particularly in Risk Factor on page 28 of this Draft Letter of Offer, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

**10. Competitive conditions**

We face competition from the unorganized sector as well as organized sector. For further details, kindly refer the chapters titled “**Risk Factors** and “**Our Business**” beginning on page no. 28 and 70 of this Draft Letter of Offer

**Appointment, Re-appointment, Regularization and Resignation of Directors and Key Managerial Personnel:**

On 30th September 2024, the appointment of Ms. Himanshi Shah (DIN: 10564211), who had been appointed as an Additional Independent Director of the Company by the Board for a period of five years with effect from 1<sup>st</sup> April 2024, was regularized by the members at the AGM.

**Appointment of Statutory Auditors:**

On 14th August 2024, The Board appointed the M/s Pravin Chandak & Associates, Chartered Accountants, statutory auditor, in casual vacancy. This appointment was ratified by the members at the AGM held on 30<sup>th</sup> September 2024 for a period of five years.

## **SECTION VI- LEGAL AND OTHER INFORMATION**

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### **KEY INDUSTRY REGULATIONS AND POLICIES**

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial, or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.

The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, please refer “Government and Other Approvals” on page 172. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts, and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.

Following is an overview of some of the important laws and regulations, which are relevant to our business.

#### **THE COMPANIES ACT**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made there under.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

#### **SEBI REGULATIONS**

Securities and Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

#### **TAX RELATED REGULATIONS**

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1), every Company is required to file its Income tax return for every Previous Year by 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

#### Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.

#### **LAWS RELATED TO FOREIGN TRADE:**

Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000(“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services. 100

% FDI is permitted in under the automatic route in the IT sector.

The Foreign Trade (Development and Regulation) Act, 1992 (“FTA”) and the rules framed thereunder:

The FTA is the main legislation concerning foreign trade in India. The FTA, read along with Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce a foreign trade policy and also amend the same from time to time, by notification in the Official Gazette;

(iv) is authorized to appoint a 'Director General of Foreign Trade' for the purposes of the FTA, including formulation and implementation of the foreign trade policy.

Imports and exports are permitted by persons who hold an “Importer-exporter code number” (“IEC”) unless specifically exempted. All imports and exports must be carried out in accordance with the applicable laws issued by the Central Government, from time to time. In the event of any contravention of the laws relating to central excise or customs or foreign exchange or any other economic offence under any other law for the time being in force as may be specified by the Central Government by notification in the Official Gazette, or if an export or import has been carried out in a manner gravely prejudicial to the trade relations of India with any foreign country, or to the interests of other persons engaged in imports or exports, or has brought disrepute to the credit or the goods of or services or technology from the country, these instances may result in the suspension and cancellation of the IEC number.

Foreign Trade Policy 2015-2020:

FTP 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the ‘Make in India’ programme. It introduces two new schemes, namely ‘Merchandise Exports from India Scheme (MEIS)’ for export of specified goods to specified markets and ‘Services Exports from India Scheme (SEIS)’ for increasing exports of notified services. In view of the unprecedented current situation arising out of the pandemic Novel COVID-19 and to provide continuity in the policy regime, the FTP2015-2020, valid till 31.03.2022 has been further extended till 30.09.2022 with similar extensions made in the related procedures.

#### **IMPORTANT GENERAL LAWS:**

##### **Registration Act, 1908**

The Registration Act, 1908 (“Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

##### **Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

##### **Negotiable Instruments Act, 1881 (“NI Act”)**

The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid.

##### **The Indian Stamp Act, 1899 (“Stamp Act”)**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as

evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

### **Consumer Protection Act, 2019**

Few of the provisions of The Consumer Protection Act, 2019 (“COPRA”) have been notified vide notification No. S.O. 2421E, dated 23rd July 2020 thus repealing the respective provisions of Consumer Protection Act, 1986. However, the provisions of Consumer Protection Act, 1986, are still valid to the extent COPRA being not notified. The Consumer Protection Act provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three-tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA has brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA also provides for mediation cells for early settlement of the disputes between the parties.

### **The Consumer Protection Act, 1986(COPRA)**

COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels.

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **Shops and Establishments Laws in Various States**

As per the provisions of local Shops and Establishments laws applicable in the state of business of the organization, establishments are required to be registered. Such laws regulate the working and employment conditions of the

workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

#### **The Information Technology Act, 2000 (IT Act)**

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) as amended is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It is based on the United Nations Model Law on Electronic Commerce 1996 (UNCITRAL Model) recommended by the General Assembly of United Nations by a resolution dated 30 January 1997. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as "electronic commerce", which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers' Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008. It introduced the Section 66A which penalised sending of "offensive messages". It also introduced the Section 69, which gave authorities the power of "interception or monitoring or decryption of any information through any computer resource". It also introduced penalties for child porn, cyber terrorism and voyeurism.

#### **The Personal Data Protection Bill, 2019 ("Bill")**

The Personal Data Protection Bill, 2019 was introduced in Lok Sabha on December 11, 2019. The Bill seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same. Data Protection refers to the set of privacy laws, policies and procedures that aim to minimise intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

#### **National Digital Communications Policy 2018**

With significant capabilities in both telecommunications and software, India, more than most countries, stands poised to benefit from harnessing new digital technologies and platforms to unlock productivity, as well as to reach unserved and underserved markets; thus, catalysing economic growth and development, generating new-age jobs and livelihoods, and ensuring access to next generation services for its citizens. This policy aims for Universal Coverage rather than revenue maximization. This policy and principles framework will enable creation of a vibrant competitive telecom market to strengthen India's long-term competitiveness and serve the needs of our aspiring nation. The Policy aims to remove regulatory barriers and reduce the regulatory burden that hampers investments, innovation and consumer interest and identifies steps to strengthen the sector's institutional mechanism and legislative framework, to ensure that India's economy and citizens can derive the full potential of its digital communications sector.

#### **Data Center Policy, 2020**

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smart phones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses/ services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialised building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

**LAWS RELATED TO EMPLOYMENT OF MANPOWER:****The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter- State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

**The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

**The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)

This Act has provisions to ensure that the contract labour is not misused and the rights of workers employed on contract basis are protected. The Act does not ban contract labour together, but puts certain restrictions on it and prohibits it under certain circumstances. The labour Law allows hiring fixed term contract workers for tasks of permanent nature. There is no maximum length of fixed term contracts provided under the labour laws.

**Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly

contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the above mentioned schemes.

**Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

**Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ` 1 million.

**Labour Laws**

Depending upon the nature of the activities undertaken by our Company, certain applicable labour laws and regulation include the following:

**Child Labour (Prohibition and Regulation) Act, 1986**

The Child Labour (Prohibition and Regulation) Act, 1986, ("CLPRA Act") provides for prohibiting engagement of children below 14 years in factories, mines and hazardous employments and regulates the conditions of their employment in certain other employments. The CLPRA Act aims to regulate the number of hours, period of work and holidays to be given to child labourer. It specifies that the employer has to mandatorily furnish certain information regarding employment of child labour to the inspector and maintain a register which would contain details regarding the child labourers. The CLPRA Act also provides for health and safety measures to be complied with by the employer. Inter State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979 ("ISMW Act")

The ISMW Act regulates the employment of inter-state migrant workmen and provides for their conditions of services and for matter connected therewith. Under the provisions of the ISMW Act, every principal employer of an establishment which employs five or more inter-state migrant workmen (whether or not in addition to other workmen) on any day of the preceding 12 months has to register his establishment under ISMW Act. The ISMW Act also requires the principal employers and contractors to maintain registers with such details of the migrant workmen as may be prescribed. Any violation of the provisions of the ISMW Act and Rules prescribed thereunder is imprisonment which may extend to two years or with fine which may extend to ` 2,000 or with both

**Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWPPR Act") aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of



sexual harassment. The SHWPPR Act defines 'sexual harassment' to include any unwelcome acts or a sexually determined behaviour (inter alia whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organisations, non-governmental organisations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an 'internal complaints committee' at each office or branch, of an organization employing at least 10 employees. Factors like mental trauma, medical expenses, loss in the career opportunity and income shall be considered while determining compensation. The duties of the employer and the district officer are provided in the SHWPPR Act.

### **The Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961, as amended ("Maternity Benefit Act") on 1st April 2017 regulates the employment of pregnant women and ensures that they get paid leave for a specified period during and after their pregnancy. However, the relevant provision on the "work from home" option will come into effect from 1st July 2017. The Maternity Benefit Act is applicable to establishments in which 10 or more employees are employed, or were employed on any day of the preceding 12 months. The maximum period for which any woman shall be entitled to maternity benefit shall be 26 weeks, of which not more than Eight weeks shall precede the date of her expected delivery. For women who are expecting after having 2 children, the duration of paid maternity leave shall be 12 weeks (i.e., 6 weeks pre and 6 weeks post expected date of delivery). It also provides that every woman who adopts a child shall be entitled to 12 weeks of maternity leave, from the date of adoption. The MB Amendment Act has also introduced an enabling provision relating to "work from home" for women, which may be exercised after the expiry of the 26 weeks' leave period depending on nature of work. Entitlement of six weeks of paid leave is also applicable in case of miscarriage or medical termination of pregnancy. The MB Amendment Act makes crèche facility mandatory for every establishment employing 50 or more employees. Women employees would be permitted to visit the crèche 4 times during the day.

### **The Minimum Wages Act, 1948**

Under the Minimum Wages Act, 1948 ("Minimum Wages Act") every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual or clerical (including outworkers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

### **Other Laws and Regulations**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations. Our Company is also amenable to various central and state tax laws

## **APPROVALS**

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the section titled '*Government and Other Approvals*' beginning on 107, of this Draft Letter of Offer.

## OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are outstanding litigations involving our Company and our Subsidiaries/associates whose financial statements are included in the draft letter of offer, either separately or in a consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';
- For the purpose of determining materiality, the threshold shall be determined by the issuer as per requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended,

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

### LITIGATION INVOLVING OUR COMPANY

#### 1) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date of this Draft Letter of Offer, there are no actions by statutory / regulatory authorities against our Company

#### 2) Litigation involving Tax Liabilities

##### (i) Direct Tax Liabilities

As on date of this Draft Letter of Offer, there are direct tax liabilities against our Company amounting to Rs, 19,48,201.

##### (ii) Indirect Taxes Liabilities

As on date of this Draft Letter of Offer, there are no indirect tax liabilities against our Company.

#### 3) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

#### 4) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are proceedings involving Material Violations of Statutory Regulations by our Company.

#### 5) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company;

#### 6) Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company;

#### **LITIGATION INVOLVING OUR DIRECTORS, PROMOTERS AND PROMOTER GROUP**

##### **Litigation Involving Actions by Statutory/Regulatory Authorities**

As on date of this Draft Letter of Offer, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors, promoters, and promoter group;

#### **LITIGATION INVOLVING OUR SUBSIDIARY/ASSOCIATE**

##### **Litigation involving our Subsidiary/Associate**

As on date of this Draft Letter of Offer, there are subsisting litigations filed against our Subsidiary/Associate amounting to Rs. 13,54,97,781;

#### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoter or any of our Directors are or have been categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

#### **DETAILS OF MATERIAL DEVELOPMENTS AFTER THE DATE OF LAST BALANCE SHEET FOR MARCH 31,2024**

Except as mentioned in this Draft Letter of Offer, no material circumstances have arisen since the date of last financial statement until the date of filing the Draft Letter of Offer, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months to our knowledge.

## GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### I. Incorporation details

- Certificate of incorporation dated February 19, 1981 issued to ZODIAC VENTURES LIMITED by the Registrar of Companies, Mumbai.
- The Corporate Identity Number (CIN) of our Company is L45209MH1981PLC023923.

### II. Approvals in relation the Issue

- The Board of Directors have, pursuant to Section 62(1)(a) of the Companies Act 2013, by a resolution passed at its meeting held on September 24, 2024 authorized the Issue.
- In-principle approval from the BSE dated [□].

### III. Approvals in relation Tax

- The permanent account number of our Company is AAACG0547K.
- The tax deduction account number of our company is MUMG08870B.
- The GST number of our Company is 27AAACG0547K1ZN.

### IV. Approvals in relation to our Business

- Our Company has registered into Udyog Aadhar issued by the Micro, Small and Medium Enterprises, Government of India, bearing UDYAM REGISTRATION NUMBER UDYAM-MH-18-0319277

## OFFICES

**Registered Office:** 205-C, 45 Juhu Residency, Off Gulmohar Road, Juhu, Vile Parle (West), Mumbai, Juhu, Mumbai, Maharashtra, India, 400049

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

This Issue of Equity Shares to the Eligible Shareholders is being made in accordance with the:

1. Resolution passed by our Board of Directors under clause (a) of Sub-Section (1) of Section 62 and other provisions of the Companies Act, at their meeting conducted on November 8,2024
2. The Rights Issue Committee of Board of Directors of our Company in their meeting conducted on [●] approved this Issue inter-alia on the following terms:

<b>Issue Size</b>	Upto49,75,00,000 /- (Fourty Nine Crore Seventy Five Lakh Rupees);
<b>Issue Price</b>	₹[●]/- (Rupees [●]) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹[●]/- (Rupees [●]) per Rights Equity Share, including a premium of ₹[●]/- (Rupees [●]) per Rights Equity Share);  On Application, Investors will have to pay ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price;
<b>Issue Entitlement Ratio</b>	[●]:[●] i.e., Equity Shares for every [●] Equity Shares held by Eligible Shareholders of our Company as on Record Date;
<b>Record Date</b>	[●];

The Issue Price shall be determined by the Company;

3. This Draft Letter of Offer has been approved at Meeting of the Board of Directors on November 8,2024.
4. Receipt of In-principle approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant Issue vide a letter bearing reference number [●] from BSE Limited (BSE) dated [●]. Our Company will also make application to BSE Limited (BSE) to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular;
5. Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company.

### PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

1. Our Company, promoter and the Directors of our Company have not been prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.
2. The companies with which our Directors or the persons in control of our Company are or were associated as directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.
3. Our Company , Promoter and the Directors of our Company have not been identified as Wilful Defaulters by the RBI;
4. None of our Directors are associated with the securities market in any manner;

5. Our Company, promoter, and the Directors of our Company have not been declared as fugitive economic offenders;
6. None of our Directors currently holds nor have held directorship(s) in the last five years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange;
7. There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company, promoter, Directors, Group Companies;

#### **ELIGIBILITY FOR THE ISSUE**

1. Our Company is a listed company incorporated under the Companies Act, 2013. Our Equity Shares are presently listed on the BSE Limited ( BSE ). Our Company is eligible to offer and issue Right Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations;
2. Our Company is undertaking this Right Issue in compliance with Part B of Schedule VI of the SEBI (ICDR) Regulations. Our Company undertakes to make an application to BSE Limited ( BSE) for listing of the Right Shares to be issued pursuant to this Issue.

#### **COMPLIANCE WITH SEBI (ICDR) REGULATIONS**

1. The present Issue being of less than ₹5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. [www.sebi.gov.in](http://www.sebi.gov.in);
2. Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations to the extent applicable;
3. Further, in relation to compliance Regulation 62 (1) (a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to BSE Limited ( BSE) for listing of the Right Shares to be issued pursuant to this Issue;

#### **COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS**

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the Listing Agreement or the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the SEBI and until date;
2. The reports, statements and information referred to above in clause (1) are available on the website of BSE Limited ( BSE );
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board our Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

#### **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company is in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018.

#### **DISCLAIMER CLAUSE OF SEBI**

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹5,000.00 Lakhs.

As required, a copy of the Letter of Offer will be submitted to SEBI.

#### **DISCLAIMER CLAUSES FROM OUR COMPANY**

Our Company accept no responsibility for the statements made otherwise than in this Draft Letter of Offer or in any advertisement or other materials issued by us or by any other persons at our instance and anyone placing reliance on any other source of information would be doing so at his/ her own risk.

Investors who invest in this Issue will be deemed to have represented by our Company and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

#### **CAUTION**

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date of this Draft Letter of Offer.

#### **DISCLAIMER WITH RESPECT TO JURISDICTION**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

#### **DESIGNATED STOCK EXCHANGE**

The Designated Stock Exchange for the purpose of this Issue will be BSE Limited ( BSE )

#### **DISCLAIMER CLAUSE OF BSE LIMITED**

As required, a copy of this Draft Letter of Offer has been submitted to the BSE Limited ( BSE ) has given vide its letter dated [●] to use its name in this Draft Letter of Offer. The Disclaimer Clause as shall be intimated by the BSE Limited ( BSE ) to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with BSE Limited ( BSE)Further BSE Limited ( BSE)does not in any manner:

1. Warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or
2. Warrant that our Company's Equity Shares will be listed or will continue to be listed on BSE Limited ( BSE); or

3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

And it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the BSE Limited ( BSE ).

Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE Limited ( BSE) whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## **FILING**

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is up to ₹5,000.00 Lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the Stock Exchange for obtaining in-principle approval.

## **SELLING RESTRICTIONS**

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form, and the issue of Right Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the BSE Limited ( BSE). Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Accordingly, the Rights Entitlements or Right Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Right Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Right Shares, distribute or send such



document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or their respective affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Right Shares referred to in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Right Shares in this Issue must provide an Indian address.

No information in this Draft Letter of Offer should be considered to be business, financial, legal, tax or investment advice.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of the Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or date of such information.

**The contents of this Draft Letter of Offer, the Letter of Offer and Abridged Letter of Offer should not be construed as legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Right Shares or Rights Entitlements. As a result, each Investor should consult its own counsel, business advisor, and tax advisor as to the legal, business, tax, and related matters concerning the offer of Right Shares or Rights Entitlements. In addition, neither our Company nor any of their respective affiliates are making any representation to any offeree or purchaser of the Right Shares or the Rights Entitlements regarding the legality of an investment in the Right Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.**

#### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Right Shares have not been and will not be registered under the United States Securities Act, 1933, as amended, or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof or to, or for the account or benefit of, 'U.S. persons' (as defined in Regulation S under the Securities Act, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Right Shares referred to in this Draft Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Right Shares and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Draft Letter of Offer, the Letter of Offer, and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, Entitlement Letter, and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Right Shares shall be made from US bank accounts and all persons subscribing for the Right Shares and wishing to hold such Right Shares in registered form must provide an address for registration of the Right Shares in India.

We, the Registrar, or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- a. Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Right Shares in compliance with all applicable laws and regulations;
- b. Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;
- c. Where a registered Indian address is not provided;
- d. Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;

And we shall not be bound to allot or issue any Right Shares in respect of any such Application Form.

The Rights Entitlements may not be transferred or sold to any person in the United States.

## INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

### 1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a well-arranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number 'CIR/OIAE/2/2011 dated June 3, 2011'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of 3 (Three), members of the said committee, which meets as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. All investor grievances received by us have been handled by the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, **Link Intime India Pvt. Ltd.** for attending to routine grievances will be within 30 (thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

### 2. Investor Grievances arising out of this Issue

Our Company's investor grievances arising out of the Issue will be handled by **Link Intime India Pvt. Ltd.**, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence.

The agreement between our Company and the Registrar to the Issue will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice to enable the Registrar to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the

application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar to the Issue for attending to routine grievances will be seven to ten days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled '*Terms of the Issue*' on page180, of this Draft Letter of Offer.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

Company Secretary and Compliance Officer	Registrar to the Issue
<p><b>Ms. Rustom Aspi Deboo</b></p> <p><b>Address:</b> Queens Chambers, Flat No. 1, 6th Flr., 89 M. Karve Road, Marine Lines, Mumbai 400020</p> <p><b>Contact Details:</b> 9920598992;</p> <p><b>Email-ID:</b><a href="mailto:cs@zodiacventures.in">cs@zodiacventures.in</a></p>	<p><b>Link Intime India Pvt. Ltd.</b>  <b>Registrar to the Rights Issue</b>  <b>Address :</b>C101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400083  <b>Contact Details:</b> +91 22 49186000;  <b>E-mail ID/ Investor grievance e-mail:</b><a href="mailto:anushka.shitole@linkintime.co.in">anushka.shitole@linkintime.co.in</a>  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>Contact Person:</b> Anushka Shitole, Compliance Officer</p>

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**SECTION IX – ISSUE INFORMATION**

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**TERMS OF THE ISSUE**

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*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in the Issue Materials, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up.*

*Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA facility as disclosed in this section.*

**OVERVIEW**

This Issue and the Right Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the BSE Limited (BSE) and the terms and conditions as stipulated in the Allotment advice.

**IMPORTANT****1. Dispatch and availability of Issue materials**

In accordance with the SEBI ICDR Regulations, ASBA Circular, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material ('Issue Materials') only to the Eligible Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) on the websites of:

- a. Our Company's website at [www.zodiacventures.in](http://www.zodiacventures.in)
- b. Registrar to the Issue's website at [www.linkintime.co.in](http://www.linkintime.co.in) ;
- c. BSE Limited's website at [www.bse.com](http://www.bse.com);

Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at [www.linkintime.co.in](http://www.linkintime.co.in) by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at [www.zodiacventures.in](http://www.zodiacventures.in)

Further, our Company will undertake all adequate steps to reach out the Eligible Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current situation and pursuant to the SEBI Rights Issue Circulars, our Company, and the Registrar to the Issue will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

## 2. Facilities for Application in this Issue

**In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI - Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled 'Procedure for Application through the ASBA Process' page no. 192 of this Draft Letter of Offer.**

### ASBA facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled '*Procedure for Application through the ASBA Process*' on page 192 of this Draft Letter of Offer.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

### Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Right Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and
- b. A demat suspense escrow account (Namely, 'Zodiac Ventures Limited - **RIGHTS ENTITLEMENT SUSPENSE ESCROWDEMAT ACCOUNT**') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:

- (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
- (ii) Equity Shares held in the account of IEPF authority; or
- (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
- (iv) Credit of the Rights Entitlements returned/ reversed/ failed; or
- (v) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

Eligible Shareholders as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer.

#### OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

Purpose	Link
Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors	<a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders	
Updating of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company	<a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
Updation of demat account details by Eligible Shareholders holding shares in physical form	

#### RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

#### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on September 24,2024, in accordance with the provisions of Section 62(1)(a) of the Companies Act.

The Board of Directors in their meeting held on [●] have determined the Issue Price at ₹[●] per Equity Share and the Rights Entitlement as [●] Rights Equity Share(s) for every [●] fully paid-up Equity Share(s) held on the Record Date.

The Issue Price has been determined by the Company.

#### **BASIS FOR THIS ISSUE**

The Right Shares are being offered for subscription for cash to the Eligible Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

#### **RIGHTS ENTITLEMENTS**

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Shares as set out in the Rights Entitlement Letter

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at [www.linkintime.co.in](http://www.linkintime.co.in) by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on our Company's website at [www.zodiacventures.in](http://www.zodiacventures.in).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Rights Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Rights Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Rights Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the Registrar's website at [www.linkintime.co.in](http://www.linkintime.co.in). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Shareholders and will send the Issue Materials to email addresses of Eligible Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned email sent to email addresses of Eligible Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) and on the BSE Limited (BSE) website. The distribution of the Letter of Offer,

Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Right Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer filed with BSE Limited (BSE) and the Letter of Offer to be filed with SEBI and the BSE Limited (BSE). Accordingly, the Rights Entitlements and Right Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, or the Application Form should not, in connection with the issue of the Right Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Forms received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Right Shares under the laws of any jurisdiction which apply to such person.

## PRINCIPAL TERMS OF THIS ISSUE

### 1. Face Value

Each Right Shares will be having face value of ₹1.00 (Rupee One Only).

### 2. Issue Price

Each Rights Equity Share is being offered at a price of ₹[●] (Rupees [●] Only) per Rights Equity Share (including a premium of ₹[●] (Rupees [●] Only) per Rights Equity Share) in this Issue.

On Application, Investors will have to pay entire amount of ₹[●] (Rupees [●] Only) per Rights Equity Share which constitutes [●]% ([●] percent) of the Issue Price.

The Issue Price for Right Shares has been arrived at by our Company and has been decided prior to the determination of the Record Date.

### 3. Rights Entitlements Ratio

The Right Shares are being offered on a rights basis to the Eligible Shareholders in the ratio of [●] Rights Equity Share(s) for every [●] fully paid up Equity Share(s) held by the Eligible Shareholders as on the Record Date.

### 4. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an



Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the BSE Limited (BSE) or through an off-market transfer

In accordance with SEBI circulars the Physical Shareholders as on the Record Date, who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

#### **5. Process of Credit of Rights Entitlements in dematerialized account**

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, '[●]') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
  - (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
  - (ii) Equity Shares held in the account of IEPF authority; or
  - (iii) Physical Shareholders as on Record Date where details of demat accounts are not provided by Eligible Shareholders to our Company or Registrar; or
  - (iv) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
  - (v) Credit of the Rights Entitlements returned/ reversed/ failed; or
  - (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with the Depositories for the crediting of the Rights Entitlements to the demat accounts of the Eligible Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period, i.e., from [●] to [●] (both days inclusive). It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Shareholders whose Rights Entitlement are credited in demat suspense account are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the transfer. Physical Shareholders can update the details of their demat accounts on the website of the Registrar accessible at [www.linkintime.co.in](http://www.linkintime.co.in). Such Eligible Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Shareholders and the demat suspense escrow account to the BSE after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

**PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED ‘PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS’ ON PAGE 192 OF THIS DRAFT LETTER OF OFFER.**

## 6. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE Limited (BSE) under ISIN [●]. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE Limited (BSE) for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the BSE on T+1 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. For details, see ‘*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*’ and ‘*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*’.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

## 7. Terms of Payment

The entire amount of the Issue Price of ₹[●] per Rights Equity Share shall be payable at the time of Application.

Each Rights Equity Share is being offered at a price of ₹[●]/- per Rights Equity Share (including a premium of ₹[●]/- per Rights Equity Share), for every 1 Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Right Shares and is Allotted a lesser number of Right Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## 8. Fractional Entitlements

The Rights Shares are being offered on a rights basis to existing Eligible Shareholders in the ratio of [●] Rights Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Shareholders

shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Shares over and above their Rights Entitlements, if any, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder hold [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Shares. Such Eligible Shareholders are entitled to apply for additional Rights Shares and will be given preference in the Allotment of one Rights Shares, if such Eligible Shareholders apply for additional Rights Shares, subject to availability of Rights Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

## **9. Ranking of Equity Shares**

The Right Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the BSE and the terms and conditions as stipulated in the Allotment advice.

The Right Shares being issued and Allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Right Shares shall rank pari-passu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

## **10. Credit Rating**

As this Issue is a Rights Issue, there is no requirement for credit rating for this Issue

## **11. Listing and trading of the Right Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Right Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Right Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Right Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. Our Company will apply to the BSE Limited for final approvals for the listing and trading of the Right Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Right Shares or the price at which the Right Shares offered under this Issue will trade after the listing thereof.

The Right Shares shall be listed and admitted for trading on the BSE Limited (BSE) under ISINs for Right Shares. The listing and trading of the Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

The existing Equity Shares are listed and traded on platform of BSE bearing Scrip Symbol code 'ZODIACVEN' Scrip code 503641 under ISIN'INE945J01027 The Rights Equity shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approval from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule. In case our Company fails to obtain listing or trading permission from the BSE, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/ blocked within four days of receipt of intimation from the BSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

## 12. Rights of holders of Right Shares of our Company

Subject to applicable laws, holders of the Right Shares shall have the following rights:

- a. The Right Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Right Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Right Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

**Subject to applicable law and Articles of Association, holders of Right Shares shall be entitled to the above rights in proportion to amount paid-up on such Right Shares in this Issue.**

## 13. Mode of Payment of Dividend

In the event of declaration of dividend, our Company shall pay dividend to the shareholders of our Company as per the provisions of the Companies Act and the provisions of the Articles of Association.

## GENERAL TERMS OF THE ISSUE

### 1. Market Lot

The Equity Shares of our Company are tradable only in dematerialized form. The market lot for trading of Rights Entitlements is 1 Shares and in multiples of 1 Shares. To clarify further, fractional entitlements are not eligible for trading.

### 2. Minimum Subscription

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue on account of the following reason:

- a. Objects of the issue being other than capital expenditure for a project; and

The objects of the Rights Issue involve financing other than the financing of capital expenditure for a project.

**3. Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Right Shares offered in this Issue.

**4. Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

**5. Arrangements for Disposal of Odd Lots**

The Rights Equity Shares are traded in dematerialized form only. The market lot for trading of Rights Entitlements is 1 Shares and in multiples of 1 Shares and therefore the marketable lot is 1 Equity Shares.

**6. Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

**7. Notices**

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Marathi language national daily newspaper with wide circulation (Marathi being the regional language of Mumbai where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

## OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Right Shares to non-resident shareholders including additional Right Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
2. Renounce the Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Right Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Right Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the e-mail address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Right Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Right Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Any non-resident shareholder who has applied in the Issue without submitting RBI approval and/or without providing Indian address, his/her application will be liable for rejection.

## PROCEDURE FOR APPLICATION

### How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process only. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

### Application Form

The Application Form for the Right Shares offered as part of this Issue would be sent to the Eligible Shareholders only to

- (i) E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- (ii) Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;

- (iii) Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- (iv) E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions.

**Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).**

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit [www.linkintime.co.in](http://www.linkintime.co.in). Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of:

- (i) Our Company at :[www.zodiacventures.in](http://www.zodiacventures.in)
- (ii) The Registrar at [www.linkintime.co.in](http://www.linkintime.co.in);
- (iii) The Stock Exchange at [www.bse.com](http://www.bse.com).

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in) by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at [www.zodiacventures.in](http://www.zodiacventures.in). Application Form can be used by the Eligible Shareholders as well as the Renounees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Right Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Right Shares by:

- (i) Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Investors are also advised to ensure that the Application Form is correctly filled up stating therein:

- (i) The ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or

**Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.**

**Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see ‘Grounds for Technical Rejection’. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar, Stock Exchange, or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see ‘*Application on Plain Paper under ASBA process*’ on page 195 of this Draft Letter of Offer.

### **OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS**

The Rights Entitlement Letter will clearly indicate the number of Right Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Right Shares to the full extent of its Rights Entitlements; or
2. Apply for its Right Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Right Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Right Shares to the full extent of its Rights Entitlements and apply for additional Right Shares; or
5. Renounce its Rights Entitlements in full.

### **PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS**

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

#### **Self-Certified Syndicate Banks**

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number ‘CIR/CFD/DIL/13/2012’ dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

### **ACCEPTANCE OF THIS ISSUE**

Investors may accept this Issue and apply for the Right Shares:



Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or

Please note that on the Issue Closing Date:

Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited(BSE), and

**Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 195 of this Draft Letter of Offer.

### **ADDITIONAL RIGHT SHARES**

Investors are eligible to apply for additional Right Shares over and above their Rights Entitlements, provided that they are eligible to apply for Right Shares under applicable law and they have applied for all the Right Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Right Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Right Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section '*Basis of Allotment*' on page no. 203.

**Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Right Shares.**

**Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Shares.**

Pursuant to the ASBA Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Shares while submitting the Application through ASBA process.

### **PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part:

- 1) By using the secondary market platform of BSE Limited(BSE),; or
- 2) Through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Shares.

The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state, or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or

stockbroker regarding any cost, applicable taxes, charges, and expenses (including brokerage) that may be levied for trading in Rights Entitlements

**OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.**

**PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.**

**(i) On Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchange under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [●] (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+1 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

**(ii) Off Market Renunciation**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

#### APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (i) Name of our Company, being ***'ZODIAC VENTURES LIMITED'***;
- (ii) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (iii) Registered Folio No./DP and Client ID No.;
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialized form;
- (vi) Number of Right Shares entitled to;
- (vii) Total number of Right Shares applied for;
- (viii) Number of additional Right Shares applied for, if any;
- (ix) Total number of Right Shares applied for;
- (x) Total amount paid at the rate of ₹[●]/- for Right Shares issued in one Rights Entitlement;
- (xi) Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- (xiii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Right Shares applied for pursuant to this Issue;
- (xiv) Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

(xvi) In addition, all such Eligible Shareholders are deemed to have accepted the following:

*I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the 'US Securities Act') or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the 'United States') except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (hereinafter referred to as '**Regulation S**'), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.*

*I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements. In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in).*

*I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.'*

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in)

## MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility only.

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in Section 40 (3) of the Companies Act, 2013.

The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB. The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

**1. Mode of payment for Resident Investors**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

**2. Mode of payment for non-resident Investors**

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

- a) Individual non-resident Indian Applicants who are permitted to subscribe to Rights Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the BSE Limited (BSE), and our Company;

*Note: In case of non-resident Eligible Shareholders, the Issue Materials shall be sent to shall be sent to their email addresses if they have provided their Indian address to our Company and if they are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions.*

- i. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Shares may be restricted by applicable securities laws;
- ii. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

**Notes**

- (i) In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- (ii) In case Rights Shares Are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Shares cannot be remitted outside India;
- (iii) In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- (iv) Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- (v) In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- (vi) Non-resident Renounees, who are not Eligible Shareholders, must submit regulatory approval for applying for additional Rights Shares;

#### **ALLOTMENT OF THE RIGHT SHARES IN DEMATERIALIZED FORM**

**PLEASE NOTE THAT THE RIGHTS SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE 'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS' ON PAGE 205 OF THIS DRAFT LETTER OF OFFER.**

#### **GENERAL INSTRUCTIONS FOR INVESTORS**

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process;
2. Please read the instructions on the Application Form sent to you;
3. The Application Form can be used by both the Eligible Shareholders and the Renounees;
4. Application should be made only through the ASBA facility;
5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 195 of this Draft Letter of Offer;
7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use only the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.

9. Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange;
10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected.** With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be 'suspended for credit' and no Allotment and credit of Right Shares pursuant to this Issue shall be made into the accounts of such Investors;
13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;
15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;
16. All communication in connection with Application for the Right Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders, the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility;
18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;

19. Investors are required to ensure that the number of Right Shares applied for by them do not exceed the prescribed limits under the applicable law;
20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

***Do's:***

1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
2. mention their internal reference number in place of application number;
3. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
4. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ('Demographic Details') are updated, true and correct, in all respects;

***Don'ts:***

1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
4. Do not pay the Application Money in cash, by money order, pay order or postal order;
5. Do not submit multiple Applications.

***Do's for Investors applying through ASBA:***

1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Right Shares will be Allotted in the dematerialized form only;
2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
3. Ensure that there are sufficient funds (equal to {number of Right Shares (including additional Right Shares) applied for} X {Application Money of Right Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;



7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

***Don'ts for Investors applying through ASBA:***

1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

**Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;
2. Sending an Application to the Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
5. Account holder not signing the Application or declaration mentioned therein;
6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
12. Physical Application Forms not duly signed by the sole or joint Investors;

13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Right Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Right Shares in respect of any such Application Form;
16. Applications which have evidence of being executed or made in contravention of applicable securities laws;
17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

**DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHT SHARES DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

**Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.**

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for**

**unblocking funds in the ASBA Account to the extent Right Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

### **MULTIPLE APPLICATIONS**

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Right Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see '*Procedure for Applications by Mutual Funds*' below. Cases where Investor submits Application Forms along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications and are liable to be rejected.

### **LAST DATE FOR APPLICATION**

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Right Shares hereby offered, as provided under the section, '*Basis of Allotment*' on 135of this Draft Letter of Offer.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE Limited(BSE),

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

### **WITHDRAWAL OF APPLICATION**

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

### **ISSUE SCHEDULE**

Last date for Credit of Rights Entitlements

[●]

Issue Opening Date

[●]

<b>Last Date for On Market Renunciation*</b>	[●]
<b>Issue Closing Date</b>	[●]
<b>Finalisation of Basis of Allotment (on or about)</b>	[●]
<b>Date of Allotment (on or about)</b>	[●]
<b>Date of Credit (on or about)</b>	[●]
<b>Date of Listing (on or about)</b>	[●]

*\* Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.*

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

#### **BASIS OF ALLOTMENT**

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Right Shares in the following order of priority:

1. Full Allotment to those Eligible Shareholders who have applied for their Rights Entitlements of Right Shares either in full or in part and also to the Renounee(s) who has or have applied for Right Shares renounced in their favour, in full or in part.
2. Eligible Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for additional Right Shares. Allotment under this head shall be considered if there are any unsubscribed Right Shares after allotment under (a) above. If number of Right Shares required for Allotment under this head are more than the number of Right Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
3. Allotment to the Eligible Shareholders who having applied for all the Right Shares offered to them as part of this Issue, have also applied for additional Right Shares. The Allotment of such additional Right Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Right Shares after making full Allotment in (1) and (2) above. The Allotment of such Right Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
4. Allotment to Renounees who having applied for all the Right Shares renounced in their favour, have applied for additional Right Shares provided there is surplus available after making full Allotment under (1), (2) and (3) above. The Allotment of such Right Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
5. Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (1), (2), (3) and (4) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (1) to (4) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Right Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

#### **ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will e-mail Allotment advice, refund intimations or demat credit of Right Shares and/or letters of regret, along with crediting the Allotted Right Shares to the respective beneficiary accounts (only in dematerialized mode) or in a demat suspense account or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 (Fifteen) days from the Issue Closing Date. In case of failure to do so, our Company and the Directors who are 'officers in default' shall pay interest at 15% (Fifteen Percent) p.a. and such other rate as specified under applicable law from the expiry of such 15 (Fifteen) days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is Allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

#### **PAYMENT OF REFUND**

##### ***Mode of making refunds***

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

1. Unblocking amounts blocked using ASBA facility.
2. National Automated Clearing House (hereinafter referred to as 'NACH') – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
3. National Electronic Fund Transfer (hereinafter referred to as 'NEFT') – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (hereinafter referred to as 'IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

4. Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
5. RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

#### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

#### **ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES**

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

#### **RECEIPT OF THE RIGHT SHARES IN DEMATERIALIZED FORM**

Please Note That the Right Shares Applied For Under This Issue Can Be Allotted Only In Dematerialized Form And to

1. The Same Depository Account/ Corresponding PAN in which The Equity Shares Are Held By Such Investor On The Record Date, Or
2. The Depository Account, Details of which Have Been Provided to our Company or The Registrar At Least Two Working Days Prior To The Issue Closing Date By The Eligible Equity Shareholder Holding Equity Shares In Physical Form As On The Record Date, Or
3. Demat Suspense Account Pending Receipt of Demat Account Details For Resident Eligible Shareholders/ Where The Credit Of The Rights Entitlements Returned/Reversed/Failed.

Investors shall be Allotted the Right Shares in dematerialized (electronic) form.

#### **INVESTORS MAY PLEASE NOTE THAT THE RIGHT SHARES CAN BE TRADED ON THE BSE LIMITED( BSE ) ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Right Shares in this Issue in the dematerialized form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Right Shares and the Application Form will be rejected.
5. The Right Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Right Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Right Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

#### PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

##### **1. Procedure for Applications by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post -Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior

consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

## 2. Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

## 3. Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India ('OCI') may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid - up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ('Restricted Investors'), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Right Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

## 4. Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

## 5. Procedure for Applications by Systemically Important Non-Banking Financial Companies ('NBFC-SI')

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

## IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:



*‘Any person who makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447.’*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹ 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than ₹10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakhs or with both.

#### **PAYMENT BY STOCK INVEST**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

#### **DISPOSAL OF APPLICATION AND APPLICATION MONEY**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are ‘officers in default’ shall pay interest at the prescribed rate. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Right Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

#### **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at BSE Limited (BSE), where the Right Shares are to be listed are taken within the time limit specified by the SEBI;
3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;

6. Adequate arrangements shall be made to collect all ASBA applications;

#### UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

- a. All monies received out of issue of this Right Equity Issue to the public shall be transferred to a separate bank account.
- b. Details of all monies utilized out of this Right Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- c. Details of all unutilized monies out of this Right Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

#### IMPORTANT

1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed **Zodiac Venture-*RIGHT ISSUE***' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

**Link Intime India Pvt. Ltd.**

**Registrar to the Rights Issue**

**Address :C101, 247 Park, Lal Bahadur Shastri Marg,  
Vikhroli (West), Mumbai – 400083**

**Contact Details: +91 22 49186000;**

**E-mail ID/ Investor grievance e-mail:[anushka.shitole@linkintime.co.in](mailto:anushka.shitole@linkintime.co.in)**

**Website: [www.linkintime.co.in](http://www.linkintime.co.in)**

**Contact Person: Anushka Shitole, Compliance Officer**

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar ([www.linkintime.co.in](http://www.linkintime.co.in)).
4. This Issue will remain open for a minimum 07 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the 'automatic route', where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the 'government route', where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (**'FDI Circular 2020'**), which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI. The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

1. The activities of the investee company fall under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as a incorporated

non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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**SECTION VII – OTHER INFORMATION**


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Please note that the Right Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/reversed/failed.

**MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at [www.zodiacventures.in](http://www.zodiacventures.in) from the date of this Draft Letter of Offer until the Issue Closing Date.

**MATERIAL CONTRACTS FOR THE ISSUE**

1. Registrar Agreement dated[●] between our Company and the Registrar to the Issue;
2. Bankers to the Issue Agreement dated[●] among our Company and the Registrar to the Issue and the Bankers to the Issue;

**MATERIAL DOCUMENTS IN RELATION TO THE ISSUE**

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
2. Fresh certificate of incorporation
3. Copies of annual report of our Company for the last Financial Years for the Financial Year ending March 31, 2024.
4. Resolution of our Board of Directors dated November 8,2024, in relation to the Issue and other related matters;
5. Resolution of our Rights Issue Committee of Board of Directors dated [●], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
6. Consents of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, our Statutory Auditor, Banker to our Company, Bankers to the Issue, and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
7. Report on Statement of Special Tax Benefits dated [●] for our Company from the Statutory Auditors of our Company;
8. In-principle approval issued by BSE Limited (BSE) dated [●];
9. Tripartite agreement amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue.
10. Tripartite agreement amongst our Company, National Securities Depository Limited and Registrar to the Issue.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

**DECLARATION**

We/ I hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder. We/ I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by Securities and Exchange Board of India, Government of India and any other competent authority in this behalf, have been duly complied with.

We/ I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**Name of the Directors**

**Signature**

Mr. Jimit Ramesh Shah  
**Managing Director**  
DIN: 01580796

Sd/-

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Sd/-

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Mr.Ramesh Virji Shah  
**Whole-Time Director**  
DIN:01580767

Sd/-

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Ms. Sunita Jimit Shah  
**Non-Executive Director**  
DIN: 03099290

Mr.Sahil Deepak Visaria  
**Non-Executive Independent Director**  
DIN: 08927504

Sd/-

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Ms.Himanshi Nilesh Shah  
**Non-Executive Independent Director**  
DIN: 10564211

Sd/-

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**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

Mr. Vipul Rajnikant Khona

Sd/-

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**SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Rustom Aspi Deboo

Sd/-

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**Place:** Mumbai  
**Date:** November 08,2024