



NSL/CS/2024/37

Date: August 24, 2024

To,
The Department of Corporate Services
BSE Limited
Phirozee Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Scrip Code: 542231

To,
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C/1 Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

Scrip Symbol: NILASPACES

Dear Sir,

Subject: Submission of 24th Annual Report of the Company for the Financial Year 2023-2024

Pursuant to the Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting 24th Annual Report of the Company for the financial year 2023-24

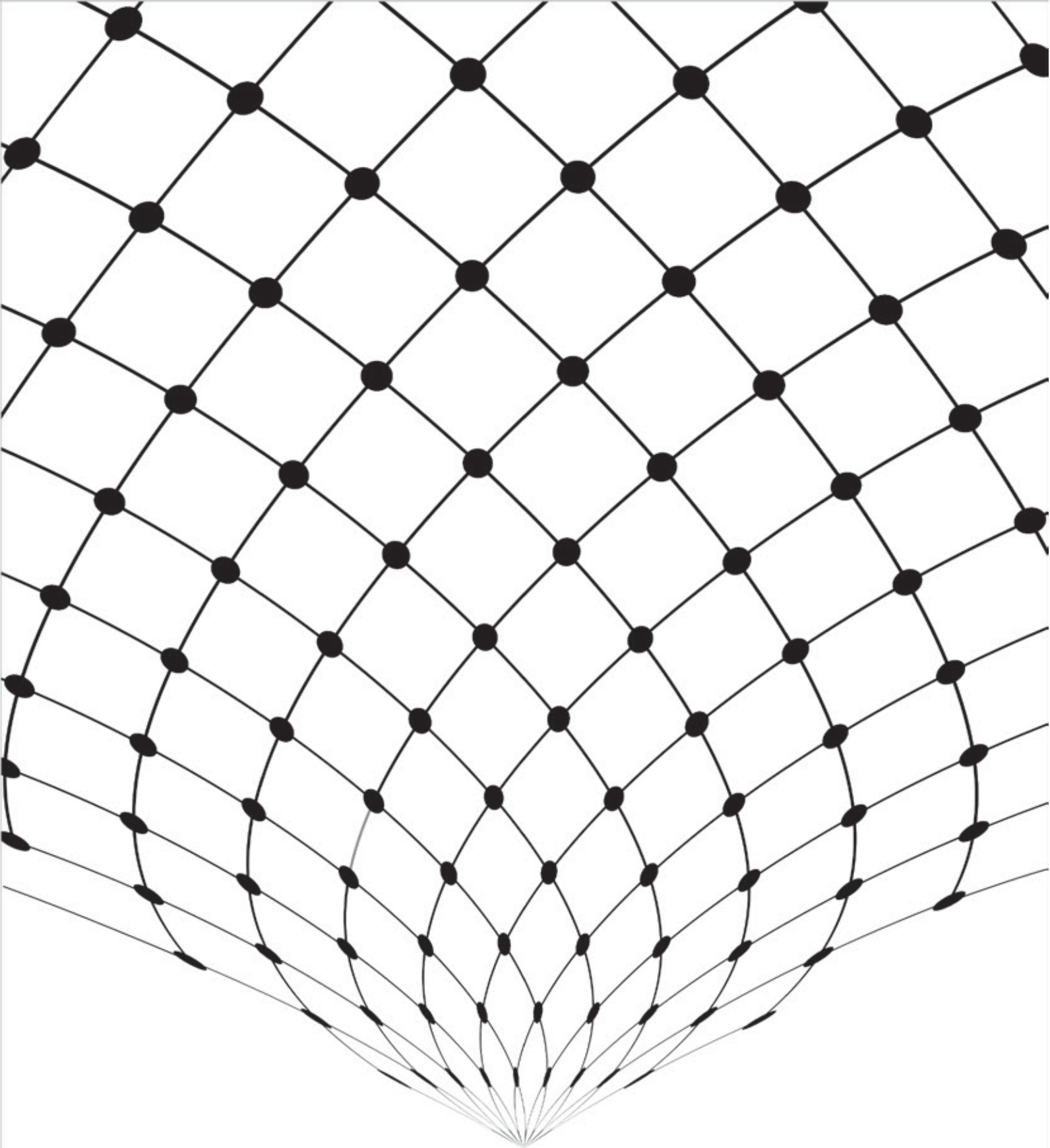
The 24th Annual General Meeting shall be held through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) on Monday, September 16, 2024 the intimation and notice thereof has been submitted to the exchange separately.

24th Annual Report and Notice of the Annual General Meeting to be held through VC/OAVM are also available at the website of the Company in the investor segment at www.nilaspaces.com.

Thanking you,
Yours faithfully,
For, **Nila Spaces Limited**

Gopi Dave
Company Secretary

Encl: a/a



IMPACT THINKING



24th ANNUAL REPORT - 2023-24



PROGRESS -
IMPACT THINKING

THINK BEFORE YOU IMPACT

Real estate projects are all about changing lives
- both in the present as well as the future.

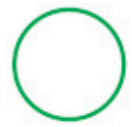
Nila Spaces Limited starts with the end in mind.
So, it's about end-users and end-effects.

In other words - I M P A C T.

We believe Impact Thinking is at the core
of Sustainable Progress

The Four Pillars, or 4Ps, of such Progress:

- > Project
- > Process
- > Planet
- > Promotion





SPACES AHEAD

PROGRESS:

IMPACT THINKING

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GROUND ZERO



VISION

Shape the future of urban spaces by developing earth-friendly, holistic dwellings and environments that foster well-being and seamless work-life.

MISSION

Harness design mastery, technological evolution, and sustainable practices to revolutionize real estate.

Innovate product design, construction, and engagement through active learning regimes.

Pursue continuous process re-engineering to facilitate efficient and transparent real estate ownership.

Engage clients on our sustainable vision

VALUES

Openness to constant evolution

Readiness for innovation

Active commitment to environment

Focus on purpose and action plans

ABOUT

BREATHING SPACES TO PROGRESS

NILA SPACE LIMITED (NSL)

NSL is part of the Nila Group, which has a vintage of 35+ years spanning real estate and infrastructure construction. A versatile portfolio of 75+ projects, including 26,000+ government houses, covering 10+ million sq ft, has made the Nila Group a premier business entity in the field.

A real estate specialist committed to sustainable progress, the Company views growth as just one spoke in the wheel of progress. We are essentially about creating a sustainable future.

TOWARDS A SUSTAINABLE FUTURE

We believe that homes or offices should not be just structures, but breathing spaces that nurture life, work, well-being, and a sustainable future.

THE 4Ps

This paradigm shift is embodied in our four core principles of Project Innovation, Process Simplification, Planet Conservation and Promotion Augmentation.

SEAMLESS INTEGRATION

Towards this end, we aim to seamlessly integrate smart technology and sustainable building designs, offer transparent and innovative processes, prioritize eco-friendly initiatives, and, spread awareness of this new culture among customers and laymen alike.

A PROVEN TEAM

To bring all the above into fruition, we have a squad of far-sighted management and passionate professionals with a proven track record. They work hard to ensure that the company maintains its high standards in construction quality, timely delivery and customer satisfaction.

BRIEF FINANCIALS

In the financial year under review (2023-24), NSL's Turnover on a standalone basis rocketed to ₹ 9,071.31 lakhs as on 31 March 2024, from ₹ 100.67 lakhs in the previous year as on 31 March 2023. The Company's EBITDA on a standalone basis too displayed a similar trend by shooting up to ₹ 1,098.89 lakhs during the financial 2023-24, in a sharp contrast to the negative ₹ (787.00) lakhs of the previous financial year 2022-23.

MILESTONES



Nila Spaces being conferred with the 15th Realty + Conclave & Excellence Award 2023 - Gujarat for Digital Marketing Campaign



The company's innovative marketing strategy grabbed eyeballs as well the Innovative Marketing Concept at The 15th Realty + Conclave & Excellence Award 2023 - Gujarat



Displaying versatility over all kinds of media, the Company clinched a trophy also in the outdoors category, OOH Campaign award



It was a sweeping performance for Nila Spaces at The 15th Realty + Conclave & Excellence Award 2023 – Gujarat with the Company securing the coveted Protech Realty Firm award for the use of cutting-edge immersive technology platforms

GIFT CITY DEVELOPMENT RIGHTS GO FOR RECORD ₹6,557 A SQ FOOT

Nila Spaces smashed a record for ₹ 6,557 per sq foot bidding for Development Rights to a new residential real estate project at Gift City, Gandhinagar – Gujarat, sprawling over 5,128 Sq Mt

Parag Dave
@timesgroup.com

Ahmedabad: Gujarat International Finance Tec-City (GIFT) has seen a new record in the price of development rights.

A tender for a residential project in the special economic zone (SEZ) of GIFT City has seen a bid of Rs 6,557 per sq foot for development of 5.22 lakh sq feet on a 5,550 sq m plot on Friday.

Ahmedabad-based Nila Spaces Ltd emerged as the top bidder and will pay Rs 342 crore to GIFT City for these development rights. Shilp Group came second in the bidding with a bid of Rs 6,402 per sq foot.

Out of the 11 bidders, four developers quoted a price higher than Rs 6,000 per sq foot.

Deep Vadotharia, director, Nila Spaces Ltd, said, "We are going to build a 100m building and will invest Rs 750 crore in this project. With this initiative, we will develop something that is desperately needed for urban living spaces worldwide, with a design and idea centred on mental health and corporate burnout.

"We have been working to create the future of urban living."

SHARP SPIKE

Date	Project type	Development rights (per sq foot)
Dec 2022	Commercial	1,818
May 2023	Commercial	1,821
Feb 2024	Residential	3,870
March 2024	Hotel	4,355
June 2024	Residential	6,557

Out of the 11 bidders, four developers quoted a price higher than Rs 6,000 per square foot. The top bidder will pay Rs 342 crore for the rights

GIFT City has seen a step increase in the prices of its development rights after the liquor policy was relaxed in Dec last year.

In Feb, a residential project tender saw a bid of Rs 3,870 and in March, a hotel-cum-commercial project saw development rights go for Rs 4,355 per sq foot.

GIFT City development rights have a base price of Rs 1,600 per sq foot and development rights are allotted through bidding.

"For residential projects,

the highest bid for development rights reached Rs 6,557 in June, after being Rs 3,870 in a tender in Feb.

This shows that developers are bullish on GIFT City due to increased interest from the technology and financial sectors at India's only International Financial Services Centre (IFSC).

GIFT City is currently home to over 600 entities in the financial services, technology, banking and insurance sectors.

These include the unified regulator, International Financial Services Centres Authority (IFSCA), and three exchanges — the GIFT Nifty, India International Exchange (India INX) and the India International Bullion Exchange (IIBX).

Total banking assets at IFSC Banking Units (IBUs) stood at \$60 billion as of March 31, 2024.

PROJECT

SOLUTION
THINKING



SOLVE BEFORE YOU CREATE

A building is a dynamic, living and breathing space. For Nila Spaces, the term 'project' just doesn't cut it. After all, it is something that flows and nourishes life and work; it is something people need.

We have another term for it – SOLUTION.

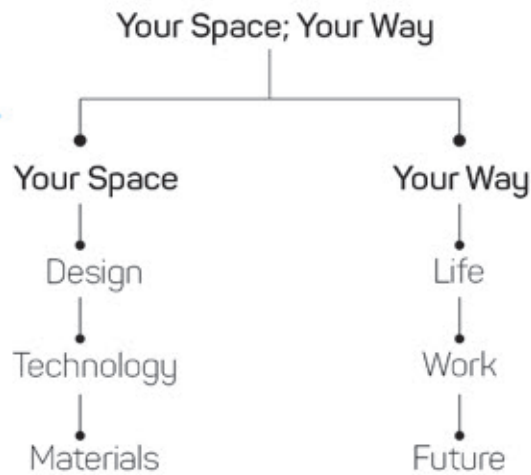
We believe Solution Thinking is at the heart of customer-centric innovation. For us, it is the first cornerstone of Impact Thinking.

YOUR SPACE; YOUR WAY



Our Solution Thinking approach is all about providing well-rounded solutions for modern urban living. Underscoring it is our 'Your Space; Your Way' motto, which demands a razor-sharp focus on the needs of the homeowner.

These needs could be expressed, unexpressed, or latent. But, the 'Your Space; Your Way' motto does not let us rest until we find and fulfil them - to the extent possible.



VIDA: THE FUTURE OF URBAN LIVING

Urban living demands more than just a roof over the head. It's about striking a balance between work and play, fostering a sense of community, and embracing a sustainable lifestyle. That's why Vida goes beyond the conventional, offering a holistic approach to urban dwelling. Vida encapsulates our 'Your Space; Your Way' philosophy.

YOUR SPACE

Innovative Residences: Our thoughtfully designed apartments blend modern aesthetics with smart technology, creating spaces that are both functional and inspiring. Enjoy breath-taking views, ample natural light, and a seamless integration of indoor and outdoor living.

Thoughtful Amenities: From co-working spaces and a resident-only dining area to a sky park, gym, and spa, Vida offers a wealth of amenities that cater to your every need. Whether you're looking to unwind, socialize, or stay active, you'll find it all within your reach.

YOURWAY

Work-Life Balance: Vida's co-working spaces provide the perfect environment to focus and collaborate, allowing you to achieve your professional goals without sacrificing your personal life.

Community & Belonging: Our thoughtfully designed common areas foster a sense of community and connection. Share a meal with neighbours, unwind in the sky park, or simply enjoy a quiet moment in the cafe. Vida is more than just a building; it's a thriving community.

Sustainable Living: We're committed to creating a greener future. Vida incorporates sustainable materials and energy-efficient design, minimizing its environmental impact and promoting a healthier lifestyle.

Premier Location: Situated in the heart of GIFT City, Vida offers unparalleled access to a world-class business district, cultural attractions, and modern infrastructure.

Where Architecture Meets Aspirations

Vida nestled in the heart of GIFT City, Gandhinagar, exemplifies the vision of the eminent German Architectural firm, Blocher Partners and their innovative design, which harmonizes sustainability, functionality, and aesthetic appeal for modern urban living.

SUSTAINABLE DEVELOPMENT AT VIDA



Green Building Façade

For each house to have its share of greens and for environmental well-being

Unobstructed View from every Apartment

For a breath-taking experience for residents

65,000 sq ft of Amenities

Providing a wide range of recreational and lifestyle facilities

18,000 sq ft of a standout Sky Park

An exceptional space for relaxation and leisure activities like a Jogging Track, a Yoga Deck, Meditation Zone, and a sizable area for events

Exclusive Dining / Café, Gym, Swimming Pool and Spa

Restricted to only residents

Co-working Space

To create and collaborate

Concierge Services to all Members

To add a personal touch



Green Building Façade up-close



Lush ambience all-around



Water bodies for a calming influence



Co-working Space



Indoor Gaming Room



Indoor Gym

CAPITAL SQUARE: THE FUTURE OF URBAN WORKING



Our commercial real estate project, Capital Square's "Your Space; Your Way" approach empowers businesses to create work environments that are not only functional and aesthetically pleasing but also aligned with their unique brand identity and operational needs. Capital Square is also aligned to the 'Your Space; Your Way' perspective.

YOUR SPACE

Customization:

Bespoke office designs that reflect your brand, culture, and operational requirements.

Quality & Branding:

Top-notch brands and materials ensure a premium workspace that reinforces your brand image.

Employee-Centric Design:

Thoughtful layouts with ergonomic furniture, breakout zones, and vibrant cafes prioritize employee well-being and productivity.

Technology Integration:

Tech-enabled spaces with visitor management systems, space management solutions, and meeting room booking platforms for seamless operations.

YOUR WAY

Flexibility:

Scalable solutions cater to businesses of all sizes, allowing for future growth or downsizing without major disruptions.

Speed & Efficiency: Quick turnaround time of 60-90 days, driven by technology-enabled processes for transparency and real-time project updates.

End-to-End Management:

Comprehensive facility management takes care of housekeeping, security, maintenance, and IT, freeing you to focus on your core business.

Enhanced Employee Engagement:

We can help in boosting employee morale and engagement through various activities and events.

Where Design Meets Drive

For Capital Square, we have partnered with DevX - a rapidly expanding Work Space as a Service (WaaS) provider, specializing in crafting and managing customized, tech-enabled office solutions for enterprises of all sizes



Anchor Client At Capital Square

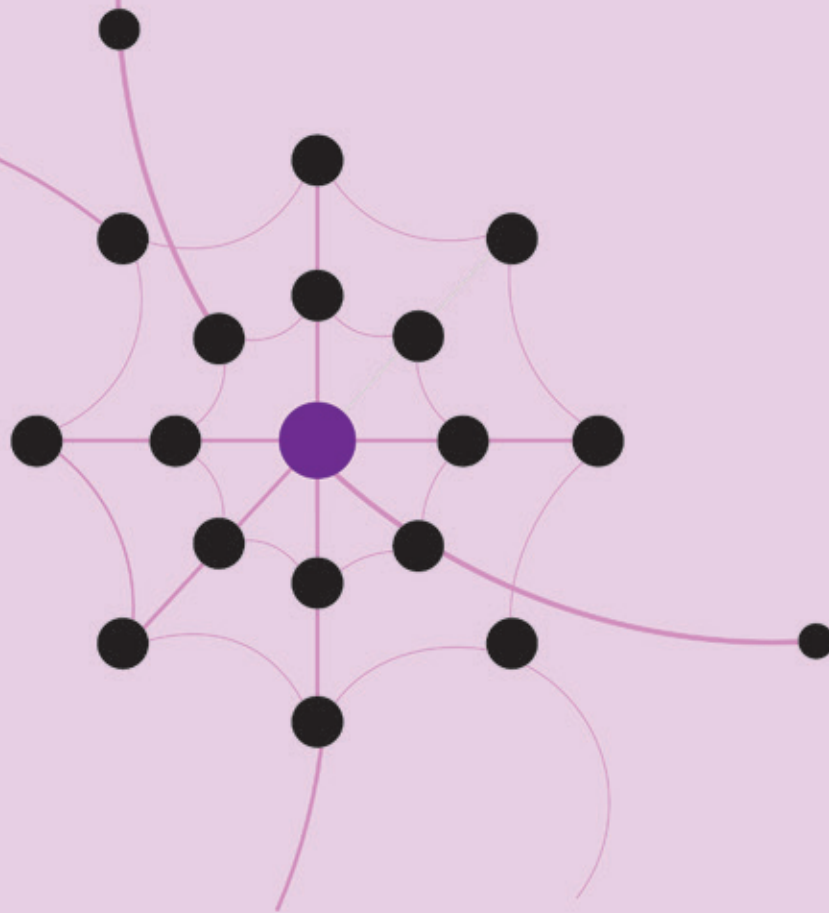


Deakin University Campus
Top 1% of universities worldwide

It is a matter of immense pride that Deakin University chose our commercial real estate project, Capital Square, to register a unique first – become the first foreign university to ever open a campus in India

PROCESS

ACCESSIBILITY THINKING



SIMPLIFY BEFORE YOU OPERATIONALISE

Developing a piece of real estate is one thing;
the process of owning it quite another.

Nila Spaces goes all out to streamline and cut down the
steps to real estate ownership, so that hassle gets
transformed to happiness for the owner.

We prefer calling it – ACCESSIBILITY.

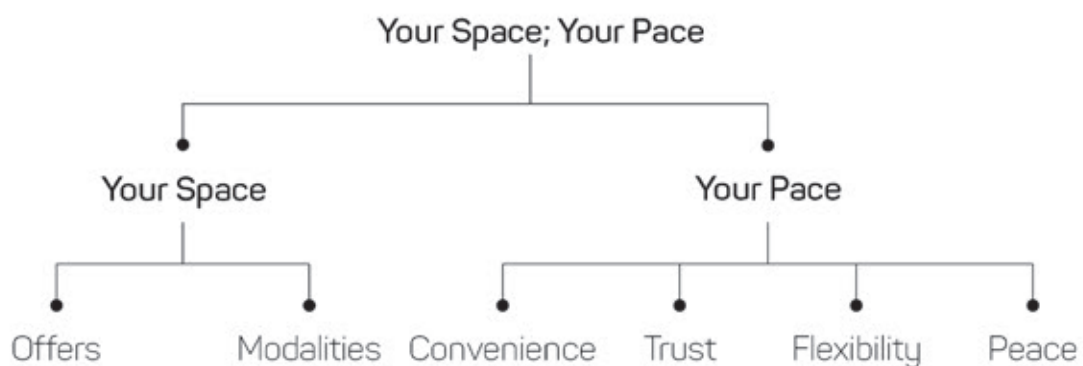
We believe Accessibility Thinking keeps us thinking
of better processes. For us, it is the second cornerstone
of Impact Thinking.

YOUR SPACE; YOUR PACE



Owning your own space is always an emotional journey. Our Accessibility Thinking helps ensure a smoother ride. The 'Your Space; Your Pace' motto goes much beyond sales conversion by our

people. In fact, it makes us pick up pace with innovative offers and simplified modalities that improve convenience, trust, flexibility, thus lowering stress and anxiety of real estate buys.



ACCESSIBILITY ACROSS THE BOARD

We are dedicated to making real estate ownership as smooth and easy as possible, by prioritizing transparency, efficiency, and customer-centricity. Our "Your Space; Your Pace" philosophy underlines this commitment.

YOUR SPACE

Innovative Offers: Nila Spaces goes beyond traditional sales tactics, crafting innovative and attractive offers that cater to the diverse needs and preferences of both residential and commercial clients. This customer-centric approach makes real estate ownership more attainable and appealing across various segments.

Simplified Modalities: In the realm of real estate, the financial aspect of acquisition can often be complex and overwhelming for buyers. Recognizing this, we have simplified payment modalities through initiatives like Consolidated Billing, Transparent Cost Breakdowns, Flexible Payment Plans, Online Payment and Tracking, and Reduced Paperwork.

YOUR PACE

Enhanced Convenience: Simplified payment modalities save buyers time and effort by reducing administrative tasks and providing easy access to payment and project information.

Improved Trust: Clear cost breakdowns and real-time tracking foster trust and confidence in the transaction.

Greater Flexibility: Flexible payment plans cater to diverse financial situations, making real estate ownership more attainable for a wider range of buyers.

Reduced Stress: The streamlined and transparent payment process reduces anxiety and uncertainty, allowing buyers to focus on the excitement of their real estate acquisition.

GIFT City project gets fastest RERA nod

Parag.Dave@timesgroup.com

Ahmedabad: An upcoming project in GIFT City has received the fastest Gujarat Real Estate Regulatory Authority (GujRERA) approval after the development authority passed the plan. The project also probably has the highest FSI in the state.

The upcoming residential project by Nila Spaces has received RERA registration 102 hours after its plans got approved by GIFT City authority and 12 working hours after the RERA application. Experts believe developers can get RERA registration faster than expected if they plan accurately.

Deep Vadodaria, director of Nila Spaces Ltd, said: "We have received RERA approval for our GIFT City project Vida, in record time. We got it about 102 hours after the GIFT City authority approved the plan. We sub-



Representational pic

mitted all the required documents for RERA approval and received registration within 12 working hours.

"We are going to develop 52,206 sq m (more than 5.5 lakh sq feet) built-up area on a plot of 5,128 sq m, which means the FSI is 10.18 -- the highest so far."

He added that this would be a residential project with two towers of 117m each, and the estimated project

cost will be around Rs 450 crore.

GujRERA chairman Dr Amarjit Singh said, "The registration process has become faster due to improvements in RERA 2.0. Developers can expect fast approvals on this system because it is comprehensive."

GIFT City is witnessing strong momentum in the commercial and residential segments, with several new

projects coming. Many international financial institutions and fintech companies have already set up their offices in GIFT City.

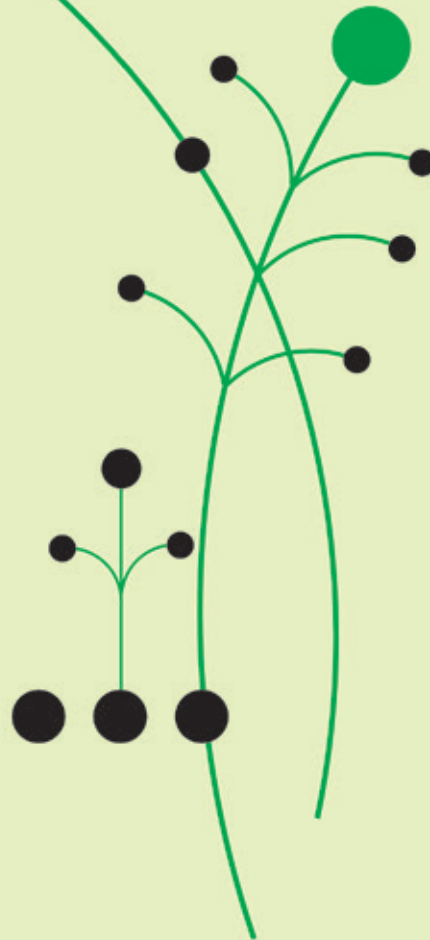
Vatsal Patel, president of Gujarat Institute of Civil Engineers and Architects (GICEA), said, "The RERA approval process is fast if developers submit the required documents. It is necessary to submit the approved plan, title clearance certificate, environment NOC, RERA project bank account etc. for approval. If these documents are submitted with proper forms, RERA registration is easy."

Manan Doshi, a RERA consultant, said, "Generally, we see RERA registration being issued 15-30 days after the application is submitted. GujRERA has an online system, and if developers apply with proper planning, they can get RERA registration quickly."

Nila Spaces residential real estate project, VIDA, secured the fastest RERA approval within a record 12 hours after application due to well-planned and accurate documentation

PLANET

FUTURE THINKING



ENVISION BEFORE YOU DEVELOP

With a relatively longer project gestation and durability, real estate developments are truly about laying the foundation for tomorrow.

At Nila Spaces Limited, we see beyond the immediate, envisioning the planet we shape through our actions; we see beyond the concrete, imagining the green cover we create through our initiatives.

We see what impacts us all - FUTURE.

Future Thinking guides our commitment to sustainability. For us, it is the third cornerstone of Impact Thinking.

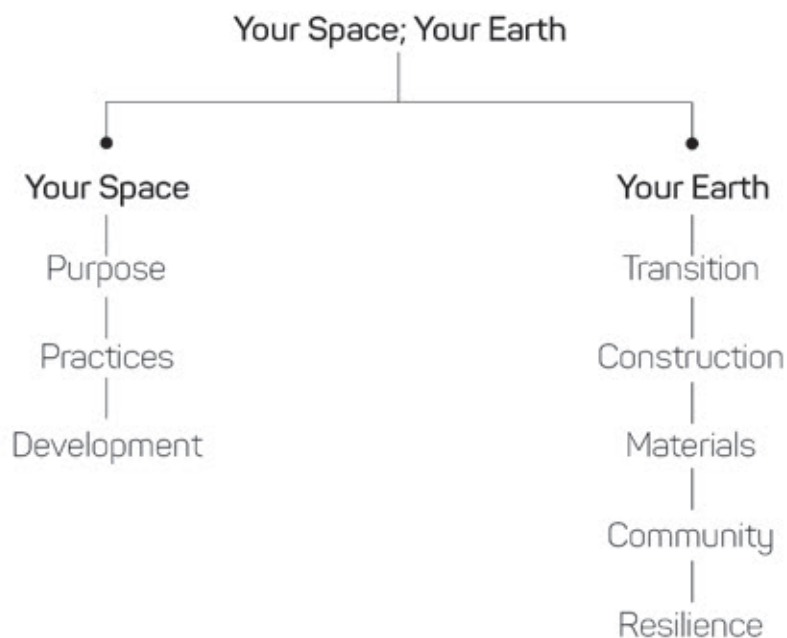
YOUR SPACE; YOUR EARTH



In a larger sense, your space isn't solely your own domain. How is it built and what you do with it has consequences for others, for our earth.

The 'Your Space; Your Earth' paradigm

endeavours to bring a sense of purpose and urgency to practices that support sustainable real estate development. The overall purpose is nothing short of earth-shattering - a brighter and greener future together.



OUR SUSTAINABILITY ETHOS HAS DEEP ROOTS

Sustainable urban living demands the pushing of boundaries, leveraging technology, and embracing innovations to minimize emissions, reduce footprints, and make a positive impact through responsible development.

YOUR SPACE

Urgency of Transition: The built environment's significant contribution to greenhouse gas emissions, with embodied carbon accounting for 15%-30% of lifecycle emissions, underscores the urgency to transition towards sustainable practices amidst booming urbanization and a housing market upturn.

Innovative Problem-Solving: Innovative problem-solving is crucial in driving the transition and reimagining urban spaces, considering lifecycle costs and adopting a holistic approach to building design and construction.



YOU'REARTH

Materials Matter: Thoughtful material selection is key to building a sustainable future. Prioritizing low carbon, recycled options reflects a holistic design approach and environmental awareness.

Innovative Construction: Prefabricated construction methods reduce waste, use low-carbon materials, and enhance sustainability, addressing environmental concerns in building design.

Community-Centric Design: Community-focused design catalyzes change by reducing per-person space, resource use, and emissions through thoughtful communal living spaces.

The Carbon Handprint: It quantifies the beneficial environmental impact of solutions that help others reduce emissions, like sustainable buildings.

Rethink, Refuse, Reduce: Rethinking, refusing, and reducing form the foundation of our sustainable philosophy, guiding us towards compact urban development, efficient land use, and preservation of green spaces.



SUSTAINABILITY AT WORK

At Nila Spaces, we embrace wholeheartedly a commitment to sustainable practices that safeguard our planet and enrich the lives of those who inhabit our spaces.



Nila Spaces has received a pre-certification from the Indian Green Building Council (IGBC) for the VIDA project. It signifies that the project intends to design and construct a high-performance building adhering to IGBC Green Homes Rating System standards, aiming for a Platinum rating.



Independent Assurance Statement

The inventory of Greenhouse Gas emissions attributable to Capital Square, Gift city - Survey Number 500, Block 11, Zone 1, Road 1A, Gift city, Gandhinagar, Gujarat, 382355

Nila Spaces Limited

1st Floor, Sambhaav House, opp. Chief Justice's Bungalow, Bodakdev, Ahmedabad, Gujarat 380015



has been verified in accordance with ISAE 3410 (GHGs) as meeting the requirement of ISO 14064-1 and GHG protocol. With application of the mentioned standard the GHG emissions was examined by TUV India Pvt. Ltd. regarding its correctness and completeness and conforms below results.

Direct emissions from employee travel; indirect emissions on account of grid electricity import, purchased goods, upstream transportation, petrol consumption for employee commuting and landfilling of waste disposal are considered.

Scope-1 Emissions (tCO ₂ e)	Scope-2 Emissions (tCO ₂ e)	Scope-3 Emissions (tCO ₂ e)	Total (tCO ₂ e)
Direct Emission	Indirect Emissions – Purchased Electricity	purchased goods, upstream transportation, petrol consumption for employee commuting and landfilling of waste disposal	Scope 1+2+3
0.57	13.09	3720	3733.66
Application of Materiality of 5 % ["/0.95]			
1	14	3916	3931

For and on behalf of TUV India Private Limited



Manojkumar Borekar
Product Head – Sustainability Assurance Service



Date: 09/01/2023
Place: Mumbai, India
Assurance Statement no: 8122252370
www.tuv-nord.com/in

This assurance statement is invalid without annexure 1 of this statement.

Head Office: 801, Raheja Plaza – 1, L.B.S Marg, Ghatkopar (W), Mumbai 400086, India | www.tuv-nord.com/in

TÜV*

TUVNORDGROUP

For its Capital Square project, Nila Spaces has secured an Independent Assurance Statement for the inventory of Greenhouse Gas (GHG) emissions. It verifies that the reported GHG emissions (Scope 1, 2, and 3) for the construction period (April 1st to November 30th, 2023) conform to ISO 14064-1 and GHG Protocol standards.

Strategic Location in GIFT City: Our choice to build in GIFT City, a planned smart city with a focus on sustainability, aligns perfectly with our Future Thinking. We're part of a larger ecosystem that prioritizes eco-friendly practices and efficient resource management.

Sustainable Greenery Facade: We integrate nature into our architecture, using vertical green elements to enhance air quality, reduce carbon footprint, and create a visually pleasing environment. It's a testament to our belief that buildings can coexist harmoniously with nature.

Energy Efficiency at its Core: We design with the future in mind, employing energy-efficient technologies and renewable energy sources to minimize environmental impact. Our buildings are not just structures; they are conscious contributors to a sustainable future.

Green Spaces for Well-being: We understand the importance of green spaces in urban living. Vida's expansive sky park and other landscaped areas offer residents a sanctuary for relaxation, recreation, and connection with nature, fostering a sense of well-being.



PROMOTION

AWARENESS THINKING



ENGAGE BEFORE YOU CONVERT

Pioneering new concepts in real estate is one endeavour; ensuring their understanding and acceptance is another.

At Nila Spaces, we recognize that project innovation often lies at the cutting edge, beyond the grasp of everyday knowledge. To keep pace with project innovation, we have to introduce communication that educates and engages.

That's why we call it - A W A R E N E S S.

We champion Awareness Thinking to enlighten our audience about the transformative potential of our projects. This forms the fourth cornerstone of our Impact Thinking.

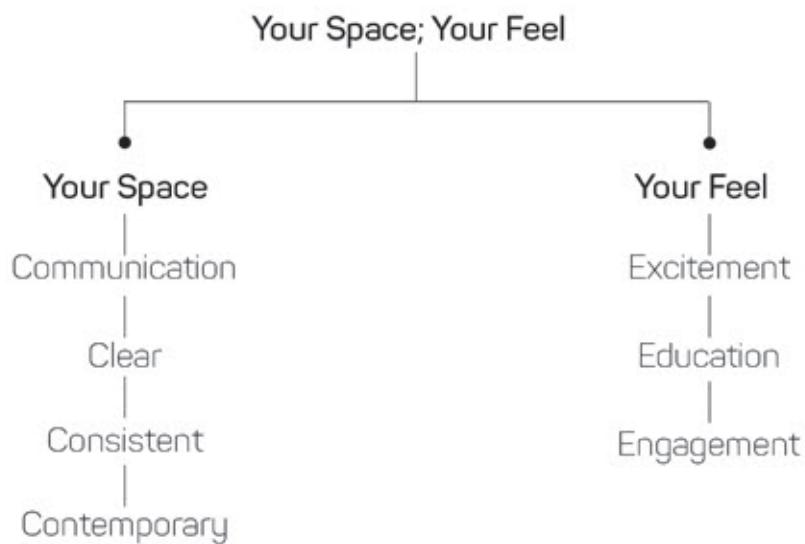
YOUR SPACE; YOUR FEEL



To own the space after your heart, you have to wade through the confusing clutter of promotion.

The 'Your Space; Your Feel' approach focuses on Awareness, not the tools of the

trade. It leverages the power of clear, consistent and contemporary communication to convey the essentials – in order to excite, educate and engage customers.



INNOVATION IS THE NEW NORMAL

This new normal has catalysed a transformative journey from concepts on paper to immersive virtual experiences. Visionary "Metaverse" events are replacing traditional brochures, offering dynamic previews of a project that is still about five years away. Our 'Metaverse' campaign for flagship residential project, VIDA, not only won awards, but also hearts.



Clutter-busting marketing campaign for VIDA



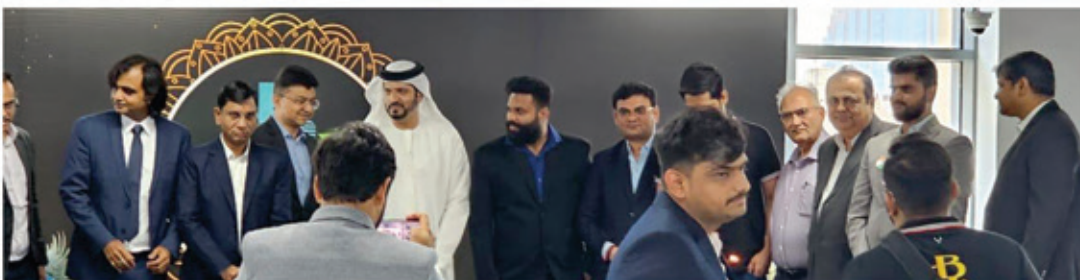
Our collaboration with award-winning Dubai-based digital artist Amr Elshamy gave birth to an innovative marketing campaign. The campaign involved multiple digital billboards across the city showcasing "Vida - The Future of Urban Living." There was also a contest encouraging people to spot these billboards, take pictures, and share them on social media for a chance to win Apple products.



Promotion on wheels with the VIDA Car with its ability to reach places that usual communication modes wouldn't.



Promotion beyond borders at the Dubai Property Show





inaugurated in our Capital Square project at GIFT City, Gandhinagar – the first foreign university to ever open a campus in India.

Soft PR



Complementing innovative marketing was our Soft PR initiative that aimed at fostering a sense of art and culture to convey the feel that VIDA is way beyond any traditional residency project as well as any traditional promotion. In the panel, celebrated artist Ankur Patar presents his vision of "Modern Urban Living" for VIDA through an infinity loop.

VIEW OF THE BOARD

Mr. Deep S Vadodaria

Chairman & Whole Time Director

Mr. Prashant H Sarkhedi

Director & Chief Financial Officer

Mr. Anand B Patel

Director

Ms. Rajal B Mehta

Director

Mr. Shrinjay S Joshi

Director

Mr. Amit R Chokshi

Director

Mrs. Kruti M Shah

Director

COMPANY SECRETARY

Ms. Gopi V Dave

CORPORATE IDENTIFICATION NUMBER

L45100GJ2000PLC083204

REGISTERED OFFICE AND CONTACT DETAILS

First Floor, Sambhaav House,
Opp. Chief Justice's Bungalow,
Bodakdev, Ahmedabad – 380 015
Tel: +91 79 40036817 / 26870258
Website: www.nilaspaces.com

BANKER

State Bank of India
ICICI Bank Limited

REGISTRAR & SHARE TRANSFER AGENT

M/s. MCS Share Transfer Agent Limited
201, Second Floor, Shatdal Complex,
Opp. Bata Showroom, Ashram Road,
Ahmedabad- 380009
Phone: +91 79-26580461/62

SECRETARIAL AUDITOR

M/s. Umesh Ved & Associates
Practicing Company Secretary,
Ahmedabad

INTERNAL AUDITOR

M/s. M P Doshi & Associates
Chartered Accountants
Ahmedabad

STATUTORY AUDITOR

M/s. Dhirubhai Shah & Co. LLP
Chartered Accountants
Ahmedabad

CHAIRMAN'S MESSAGE

The purpose of our organization
is to evolve an organization of purpose.

At Nila Spaces Limited, we've embraced this motto wholeheartedly, and the fiscal year 2023-24 stands as a testament to our purposeful journey. We've not only witnessed remarkable financial growth but also solidified our commitment to sustainable progress. Our turnover's significant increase and the positive shift in EBITDA underscore the effectiveness of our 4P framework: Project, Process, Planet, and Promotion. It has driven us to create spaces that transcend mere brick and mortar. We've infused purpose into our projects, ensuring they contribute positively to the lives of our customers and the world around us.

VIDA and Capital Square exemplify our dedication to innovation and purpose-driven solutions. These projects cater to the evolving needs of urban dwellers and businesses, fostering well-being, work-life balance, and sustainable growth. We have endeavoured to simplify the path to real estate ownership, making it more transparent and customer-centric. And our commitment to the future ensures that every project we undertake contributes to a greener, more sustainable planet.

The numerous accolades we have received at The 15th Realty+ Conclave & Excellence Awards - 2023 are not just recognitions of our achievements but affirmations of our purpose-driven approach. The fastest RERA approval for VIDA is a feather in our cap and a stunning outcome of our streamlined processes. Our record-breaking development rights bid at GIFT City, Gandhinagar indicates the tremendous upside we see in sustainable realty. The unwavering trust of our customers and our dedicated team brightens our journey ahead.

As we look to the future, our purpose remains clear: to shape the future of urban spaces with the intensity of intention and impact. The journey towards a sustainable future is a continuous one, and we're driven to lead with purpose. We believe that by prioritizing impact of our projects on end-users and stakeholders, we can create spaces that not only meet the needs of today but also pave the way for a brighter and more purposeful tomorrow.

Thank you for being a part of our journey.

DIRECTORS' PROFILE

Mr. Amit Chokshi - Director

Mr. Amit Chokshi, carved a formidable niche and path in the realms of Housing Finance & Real Estate sectors. Following his initial 7 years assignment in the field of finance with GST Ltd, he had a professional odyssey of 33 years with GRUH Finance (GRUH), a subsidiary of HDFC, a pioneer and a leading home finance player. At GRUH, he shouldered various senior level responsibilities. Post his formal stint at GRUH, he also associated as full time Consultant to GRUH Finance & Bandhan Bank, for their project Finance & legal portfolios. This more than four-decades odyssey, enriched him immensely with overall management work experience with a corporate entity with excellent governance.

Mrs. Kruti Shah - Director

A Physics graduate and trained journalist, she has extensive experience in content and communication, having held roles at Times of India Group and the Chief Minister's Office, Gujarat. She led key government assignments in content documentation, digital media, and communication strategy. As an entrepreneur, she founded Mighty Acorns, a life-skills program and The First Penguin focusing on research-based content and communication.

Mr. Deep S. Vadodaria -Executive Director

Mr. Deep Vadodaria is an original thinker with an immense reasoning power. With a problem-solving attitude, he addresses complex issues in his own distinctive manner. With his excellent operational and project execution skills; he is driving the Company to new horizons. His idiosyncratic leadership style is structured on a well-define moral code and provides for an excellent teamwork. He has embedded a culture of review, responsibility and shared accountability to achieve high standards for all.

Mr. Prashant H. Sarkhedi - Director Finance & Chief Financial Officer

Mr. Sarkhedi is a passionate professional with more than 23 years of experience in finance, accounting, fund raising and general management. He is a disciplinarian, has in-depth knowledge and insight on diverse subject matters and possesses excellent organizational and motivational skills.

Mr. Anand Patel - Director

Mr. Patel, former Additional City Engineer with the Ahmedabad Municipal Corporation, has over 35 years of experience in urban development. He has focused on housing for the urban poor, slum relocation, and public infrastructure projects. His expertise includes planning, tender preparation, and execution of capital works in various areas like water supply, drainage, and public buildings.

Ms. Rajal Mehta - Director

Ms. Rajal Mehta, an accomplished engineer and MBA, serves as the founder of God Brothers Communications and Director of 3Cube Change Pvt. Ltd. - a strategic designer, conceptualizer, Ideaprenuer, Innovator, consultant focused on Real Estate, FMCG, Health, and Education. With over two decade of expertise experience, she has successfully guided a variety of corporate and public sector clients in improvising their brand presence and driving business growth and to return the benefits of her knowledge and experience into the social development sector.

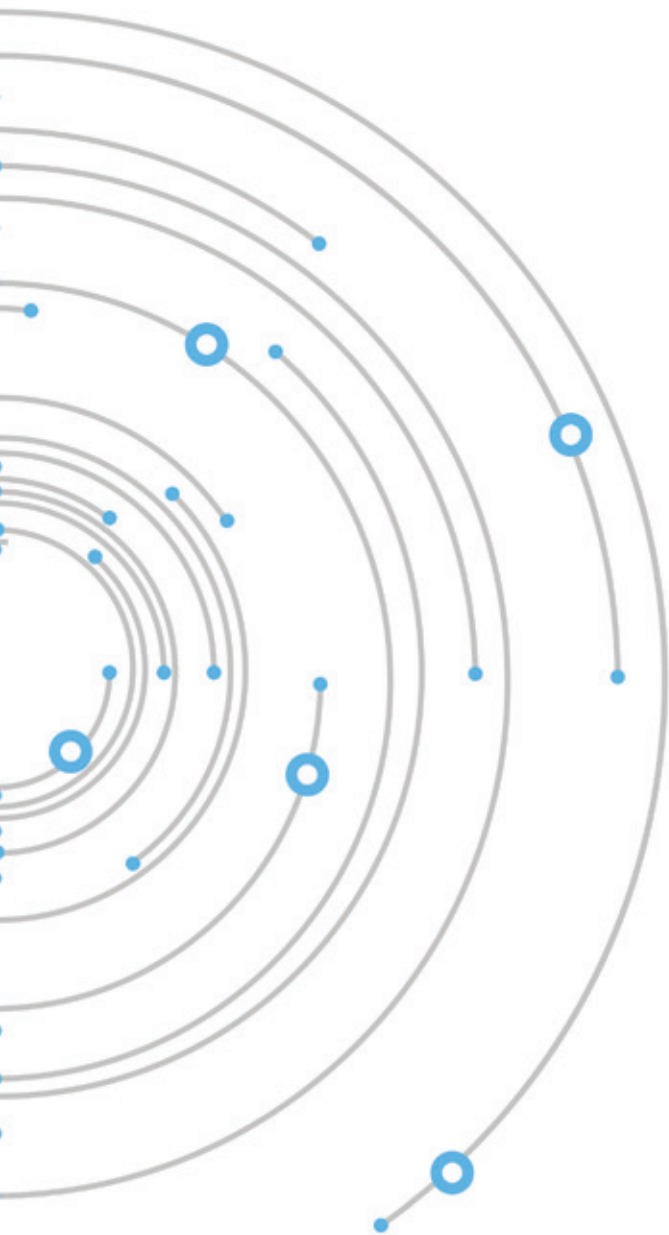
Mr. Shrinjay Joshi - Director

Mr. Shrinjay Joshi is a business advisor specializing in structured debt advisory for growing companies. He helps his clients gain a competitive advantage by arranging financing that is tailored to the particulars needs of the company. He draws on his extensive experience in banking to help clients overcome the challenges they face when trying to arrange financing for their businesses. He has particular expertise in helping companies develop appropriate financing strategies and preparing business plans.



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STATUTORY PORTION >>>



Directors' Report

Dear Members,

The Directors of your Company are pleased to present the 24th Annual Report to the Members with the Audited Financial Statements for the Financial Year ended on 31 March 2024.

STATE OF AFFAIRS OF THE COMPANY:

The Company is public limited and listed at BSE Limited (Scrip code: 542231) and National Stock Exchange India Limited (Scrip code: NILASPACEs) engaged in the business of construction and development of projects for sale. During the year, there is no change in the state of affairs of the company.

FINANCIAL HIGHLIGHTS:

The performance of the Company for the Financial Year 2023-24 is as under:

(₹ in lakhs, except per equity share data)

Particulars	Standalone for the year ended		Consolidated for the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Revenue from Operations	9,071.31	100.67	9,071.36	101.08
Add: Other Income	432.59	241.64	1,111.06	241.64
Total Income	9,503.90	342.31	10,182.42	342.72
Less: Revenue Expenditure	7,972.42	887.67	7,972.42	887.67
Less: Depreciation and Amortization	121.89	11.21	121.89	11.21
Less: Finance cost	477.05	0.44	477.05	0.44
Profit Before Share in profit of joint ventures and associate and Tax	932.54	(557.01)	1,611.06	(556.60)
Less: Current Tax	155.13	0	155.13	0
Less: MAT Credit Entitlement	(74.39)	0	(74.39)	0
Less: Reversal of excess provision for tax of earlier Years	0	0.83	0	0.83
Less: Deferred Tax Charges/Credit (net)	175.02	(156.22)	175.02	(156.22)
Profit for the year	676.78	(401.62)	1,355.30	(401.21)
Share of Profit/(Loss) of associate	0	0	(13.04)	(5.02)
Net Profit	676.78	(401.62)	1,342.26	(406.23)
Add: Balance Brought Forward from previous Financial Year	744.49	1,144.92	(81.92)	323.11
Profit available for appropriation	1421.27	743.30	1,260.34	(83.12)
Add: Re-measurement gains/(losses) on defined employee benefit plan (Net of tax)	(2.39)	1.19	(2.39)	1.20
Surplus carried to Balance Sheet	1,418.88	744.49	1,257.95	(81.92)
Add: Security Premium	5.80	5.80	5.80	5.80
Add: General Reserve	7.90	7.90	7.90	7.90
Add: Capital Reserve	7,607.64	7,607.64	7,547.55	7,547.55
Reserves	9,040.22	8,365.83	8,819.20	7,479.33
Share Capital	3,938.89	3,938.89	3,938.89	3,938.89
Earnings per share (EPS) before exceptional item				
Basic	0.17	(0.10)	0.34	(0.10)
Diluted	0.17	(0.10)	0.34	(0.10)
EPS after exceptional item				
Basic	0.17	(0.10)	0.34	(0.10)
Diluted	0.17	(0.10)	0.34	(0.10)

Notes:

The above figures are extracted from the standalone and consolidated financial statements as per Indian Accounting Standard.

Equity shares are at par value of ₹ 1 per share.

CHANGE IN NATURE OF BUSINESS:

During the financial year under review, there has been no change in the nature of business of the Company.

REVIEW OF OPERATIONS AND FINANCIAL PERFORMANCE:

Your Company's primary area of operations includes construction and development of projects for sale and to provide end to end services in the real estate industry. Your Company has acquired development rights of 5.61 lakh sq ft built up area at GIFT City – Gandhinagar for development and sale of residential project. Your Company is developing a luxurious residential scheme 'VIDA' at GIFT City. VIDA showcases the Future of Urban living which will be the crown jewel of residential segment of GIFT by presenting unmatched facilities, super quality, and focusing on unparalleled architectural design by internationally renowned firm. State of the Art SKY Park, 65000 sq. ft plus dedicated area of amenities, twin tower connecting sky bridges makes the project unmatched amongst others at GIFT City.

GIFT City is planned on 886 acres of land with 6.2 crore sq. ft. of BUA which includes Office spaces, Residential apartments, Schools, Hospitals, Hotels, Clubs, Retail and various Recreational facilities. GIFT City is an emerging global financial and IT services hub, a first of its kind in India, designed to be at or above par with globally benchmarked CBDs. It is India's first operational Greenfield Smart City and supported by state-of-the-art infrastructure encompassing all basic urban infrastructure elements along with an excellent external connectivity. Additionally, GIFT City will have a metro station connecting it to the Ahmedabad metro network by March 2024. Companies from Financial Services, Technology and all other services sector have started occupying the city. GIFT City is changing the economic face of Gujarat and would keep India on the global map as Centre of excellence in the Financial & IT/ITeS Services domain.

Your Company has also developed structure of co working office complex at GIFT City SEZ area in collaboration with renowned player of co working office business. The temporary structure comprises of construction of 5000 sq. mtr. area and is made available to the Company for a period of 5 (five) years by GIFT Authority.

The detailed review of operations is given in the Management Discussion & Analysis Report.

Revenues – Standalone and Consolidated:

Company's Revenue from Operations on a standalone basis increased to 9,071.31 lakhs as on March 2024 from 100.67 lakhs in the previous year 31 March 2023, at a rate of 8,910.94 %. Company's Revenue from Operations on a consolidated basis as on 31 March 2024 increased to 9,071.31 lakhs from 101.08 lakhs in the previous year 31 March 2023, at a rate of 8,874.39 %.

Profits – Standalone:

Your Company's EBITDA on a standalone basis as on 31 March 2024 amounted to 1,098.89 lakhs (12.11 % of revenue from operations), as against (787.00) lakhs ((781.76%) of revenue from operations) in the previous year 31 March 2023. Project and Operations costs were (87.89 %) of revenue from operations for the year ended 31 March 2024 as compared to 881.76 % for the year ended 31 March 2023. The profit before tax 932.64 lakhs (9.81 % of Total Income), as against (557.01) lakhs ((162.72 %) of Total Income) in the previous year. Net profit was 676.78 lakhs (7.12 % of Total Income), as against (401.62) lakhs ((117.33 %) of Total Income) in the previous year.

Profits - Consolidated:

Your Company's EBIDTA on a consolidated basis amounted to lakhs 1,098.94 (12.11 % of revenue from operations), as against (786.59) lakhs (778.19%) of revenue from operations) in the previous year. Project and Operations costs were 87.89 % of revenue from operations for the year ended 31 March 2024 as compared to 878.19 % for the year ended 31 March 2023. The Profit before tax was 1,598.02 lakhs (15.69 % of Total Income), as against loss of (561.62) lakhs (163.87%) of Total Income in the previous year. Net profit was 1,342.26 lakhs (13.18 % of Total Income), as against loss of (406.23) lakhs ((118.53%) of Total Income) in the previous year.

Liquidity – Standalone and Consolidated:

Your Company continues to maintain sufficient cash to meet its operations as well as strategic objectives. The Board of Directors believes that liquidity in the Balance Sheet has to balance between earning adequate returns and the need to cover financial and business risks. Liquidity enables your Company to make a rapid shift in direction, if there is a market demand. The Directors believe that the working capital is sufficient to meet the current requirements.

REPORT ON PERFORMANCE OF SUBSIDIARY COMPANIES PURSUANT TO RULE 8 (1) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

Your Company undertakes various businesses through subsidiaries, associates and joint ventures. As per Section 129 (3) of the Companies Act, 2013, your Directors have pleasure in attaching the consolidated financial statements prepared in accordance with the applicable accounting standards with this report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements are available at the Company's website at www.nilaspaces.com. The audited financial statements of each of the subsidiary, associate and joint venture are available for inspection at the Company's registered office at Ahmedabad, Gujarat, India and also at registered offices of the respective companies. Copies of the annual accounts of the subsidiary, associate and joint venture will also be made available to the investors of Nila Spaces Limited upon request.

In terms of proviso to Section 129(3) and Rule 8(1) of the Companies (Accounts) Rules, 2014, statement containing the salient features; of the subsidiaries, associates and joint ventures; in the prescribed Form AOC 1 is annexed to this report as **"Annexure A"**.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES DURING THE YEAR: -

During the year under review there is no change in status of Subsidiaries, Associates or Joint Ventures of your Company except that Nila Projects LLP ceased to be the Joint Venture w.e.f 30 December 2023.

AMOUNT TO BE TRANSFERRED TO GENERAL RESERVES:

The Company has transferred entire amount of profit made during the year to the General Reserve.

DIVIDEND:

As a matter of sound accounting practice and management philosophy, your Directors are of the opinion to make sound economic base for the Company and in order to conserve the resources; do not recommend any dividend for the year under review.

PUBLIC DEPOSITS:

During the year under review your Company has not accepted any deposits from the public within the meaning of Section 73 and 76 of the provisions of the Companies Act, 2013.

INSURANCE:

All the existing properties of the Company are adequately insured.

DIRECTORATE:

During the year under review following changes in the Board of Directors and KMP of the Company occurred.

- Mr. Deep S Vadodaria and Mr. Prashant H Sarkhedi were appointed as Whole Time Directors for a term of 3 years with effect from 13 May 2023, liable to retire by rotation. Mr. Prashant H. Sarkhedi has also been appointed as Chief Financial Officer of the Company w.e.f 13 May 2023.
- Further, upon change in terms of appointment Mr. Anand B Patel is re-designated as Non-Executive Director of the Company w.e.f 13 May 2023, liable to retire by rotation.
- Ms. Rajal B Mehta was appointed as Non-Executive Independent Director of the Company for a second term of 5 years with effect from 19 July 2023.
- Mr. Jasvinder Rana ceased to be director of the Company upon sudden and sad demise on 24 July 2023.
- Mr. Amit Chokshi was appointed as Non-Executive Independent Director on 21 August 2023.
- Mrs. Kruti Manan Shah was appointed as Non-Executive Independent Director on 26 August 2023.
- As per the provisions of Section 203 of the Companies Act, 2013, Mr. Prashant H Sarkhedi and Mr. Deep S. Vadodaria being appointed as Whole Time Director and Ms. Gopi V Dave – Company Secretary are the Key Managerial Personnel of the Company.
- Pursuant to Section 152 of the Companies Act, 2013, Mr. Deep S. Vadodaria (DIN: 01284293) Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for reappointment.
- Necessary resolutions for the reappointment of the aforesaid Directors have been included in the Notice convening the ensuing Annual General Meeting and details of the proposal, rational, justification and performance evaluation report, in terms of applicable Secretarial Standard on General Meeting (SS-2), for the re-appointment of Directors are mentioned in the explanatory statement of the Notice.
- All the Directors have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

Statement regarding opinion of the Board with regard to appointment of Independent Director during the year:

In the opinion of the Board, the Independent Directors possess highest level of integrity, rich experience and requisite expertise in relevant area. With regard to proficiency, Mr. Amit Chokshi and Mrs. Kruti Manan Shah shall clear the online proficiency self-assessment test in due course. All other Independent Directors have cleared the test in due course of time.

Declaration given by Independent Director:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 read with 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that there has been no change in the circumstances which may affect their status as an Independent Director and the same has been noted by the Board. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI Circular date 10 May 2018; an annual performance evaluation of the members of the board of its own individually and working of various committees of the board was carried out. Further, in a separate meeting of the Independent Directors held on 07 February 2024 without presence of other Directors and management, the Independent Directors had, based on various criteria, evaluated performance of the Chairman and performance of the other members of the board. The manner in which the performance evaluation was carried out has been explained in the Corporate Governance Report annexed with this report.

Board and Committee meetings:

During the year under review 6 (Six) Board Meetings, 4 (Four) Audit Committee Meetings, 3 (Three) Nomination and Remuneration Committee Meeting and 1 (One) Stakeholder Relationship Committee Meeting were held. The details of the meetings are given in the Corporate Governance Report as a part to the Boards' Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, with respect to Director's Responsibility Statement, it is hereby confirmed that:

- a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The Directors have laid down an adequate system of internal financial controls to be followed by the Company and such internal financial controls are adequate and operating efficiently; and
- f) The Directors have devised proper systems to ensure compliances with the provisions of all applicable laws and that such systems are adequate and operating effectively.

REPORTING OF FRAUDS:

During the year under review there was no instance of any fraud reported by any auditor to the audit committee or the board.

ALTERATION OF MEMORANDUM AND ARTICLE OF ASSOCIATION:

During the year under review, there has been no change in the clauses of Memorandum of Association and Articles of Association of the Company.

SHARE CAPITAL:

There is no change in share capital of the Company. Presently the paid-up capital of the Company is ₹ 39,38,89,200 comprising of 393889200 equity shares of ₹ 1/- each.

UNCLAIMED DIVIDEND AND UNCLAIMED SHARES

There is no unclaimed or unpaid amount of dividend with the Company.

The corresponding equity shares of the Company issued and allotted pursuant to the scheme of demerger to the shareholders of Nila Infrastructures Limited; whose equity shares of Nila Infrastructures Limited have been, in accordance with Section 124 of the Companies Act, 2013 and rules made there under transferred to and lying with the IEPF authority; have also been credited to the designated IEPF account of the Government.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The Company has implemented the procedure and adopted practices in conformity with the code of Corporate Governance as enumerated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The management discussion & analysis and corporate governance report are made part of this report. A certificate from the Practicing Company Secretary regarding compliance of the conditions of corporate governance is given in annexure, which is attached hereto and forms part of the Directors' report.

STATUTORY AUDITORS AND AUDITORS' REPORT:

M/s. Dhirubhai Shah & Co. LLP, Chartered Accountants (FRN: 102511W/W100298) were appointed at the 19th Annual General Meeting held on 27 September 2019 as Statutory Auditors of the Company to hold the office till the conclusion of 24th Annual General Meeting of the Company. The term of the statutory auditors is expiring at the ensuing AGM and therefore a resolution proposing reappointment for second term of five years is proposed to the shareholders.

The report of the statutory auditor is given in this annual report. There is no qualification, reservation or any adverse remark or disclaimer in the audit report of M/s. Dhirubhai Shah & Co. LLP.

COST AUDIT:

As per the requirement of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company maintains Cost Records, however, appointment of cost auditor and cost audit is not applicable to your Company for the year under review.

SECRETARIAL AUDITOR'S REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors have appointed M/s Umesh Ved & Associates, Practicing Company Secretary, Ahmedabad as the secretarial auditor of the Company to conduct secretarial audit for the year 2023-24. The report of the Secretarial Auditor is annexed herewith as **"Annexure C"**. The report of the secretarial auditor is self-explanatory and confirming compliance by the Company of all the provisions of applicable corporate laws.

Pursuant to the SEBI circular dated 8 February 2019, the company has obtained an Annual Secretarial Compliance Report from M/s. Umesh Ved & Associates, Practicing Company Secretary.

AUDIT COMMITTEE:

The Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, reviewed the financial results and financial statements, audit process, internal control system, scope of internal audit and compliance of related regulations as prescribed. The Composition and terms of reference of the audit committee is more specifically given in the Corporate Governance Report as a part of the Board's Report.

VIGIL MECHANISAM (WHISTLE BLOWER POLICY):

The company has established Vigil Mechanism (Whistle Blower Policy) in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 for the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The detail of the Whistle Blower Mechanism is explained in the Corporate Governance Report and the policy adopted is available on the Company's website at www.nilaspaces.com under investor segment. There has been no complaint received to the Company during the year under review under Vigil Mechanism.

DISCLOSURE IN TERMS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an anti-sexual harassment policy and internal compliant committee in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. There is no such instance reported during the year under review nor any compliant is pending at the end of the year.

MONITORING AND PREVENTION OF INSIDER TRADING:

In terms of the Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; the Company has adopted revised Code of Conduct prohibiting, regulating and monitoring the dealings in the securities of the Company by Insiders and Designated Persons while in possession of unpublished price sensitive information in relation to the securities of the Company. The code of conduct is available at the Company's website at www.nilaspaces.com under investor segment. The Company has also in terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015; put in place institutional mechanism for prevention of insider trading. The audit committee on yearly basis review the compliances made under the regulation as well as the effectiveness of the internal control system to monitor and prevent insider trading. The Company has developed and implemented a digital database to record all unpublished price sensitive information as required under SEBI PIT Regulations.

STATUTORY DISCLOSURES REQUIRED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

There is no foreign exchange earnings and outgo during the year under review. Conservation of energy has always been of immense importance to your Company and all the equipment consuming energy have been placed under continuous and strict monitoring. In view of the nature of the operations, no report on the other matters is required to be made under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

RISK MANAGEMENT POLICY:

The Risk Management Policy of your company comprises to identify various risks associated with the business activities of the Company and managing the risks in a proactive and efficient manner. Your Company has robust risk management process involving periodic assessment of various risks and mitigating remedies. Various risks and mitigating remedies are more specifically discussed in MDA report as a part of the board report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT MADE BY THE COMPANY DURING THE YEAR:

As regards investments by the Company, the details of the same are provided under Note No 6 forming part of the financial statements of the Company for the financial year 2023-24. Details of loans given to other persons covered under Section 186 of the Companies Act, 2013 are given in the Note No 7 relating to related parties to the financial statements.

RELATED PARTY TRANSACTIONS:

In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the Company has adopted policy on dealing with related party transactions. All related party transactions that were entered into by the Company during the financial year were in the ordinary course of business and were at arm's length basis. There is no material significant related party transaction made by the Company with its Directors, Promoters, Key Managerial Personnel or their relative in terms of Section 188 of the Companies Act 2013 and rules made thereunder. All Related Party Transactions are placed before the audit committee / Board, as applicable, for their approval. Omnibus approval is taken for the transactions which are of repetitive in nature. The Related Party Transactions that were entered into by the Company were to facilitate smooth functioning of the ordinary course of business and are in the interest of the Company. The disclosures of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is enclosed as **Annexure D**.

The policy on related party transactions as approved by the Board is available on the website of the company www.nilaspaces.com under investor segment.

Disclosures of transactions with related parties in terms of Schedule V read with Regulation 34(3) and 53(f) of SEBI (Listing Obligations Disclosure Requirements) Regulations 2015 as amended is given in Note No 30 of the Notes to the Financial Statements.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL:

The Board of Directors has in terms of the requirements of Section 134(5)(e) of the Companies Act, 2013 laid down the internal financial controls. The Company has in place a well-defined organizational structure and adequate internal controls for efficient operations, which is cognizant of applicable laws and regulations, particularly those related to protection of properties, resources and assets, and the accurate reporting of financial transactions in the financial statements. The company continuously upgrades these systems. The internal control system is supplemented by extensive internal audits, conducted by independent firm of chartered accountants M/s M P Doshi & Associates.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provision of the Corporate Social Responsibility as laid down under Section 135 of the Companies Act, 2013 were not attracted by the company during the financial year 2023-24. Therefore, no corporate social activities were required to be undertaken.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Nomination and Remuneration Committee and adopted policy on appointment and remuneration of Directors and Key Managerial Personnel. The composition, terms of reference of the Committee are given in the Corporate Governance Report as a part to the Boards' Report. The said policy is also available at the website of the company at www.nilaspaces.com under the investor segment.

MATERIAL CHANGES:

No material change has taken place after 31 March 2024 and till the date of this report.

EMPLOYEES:

During the year under review, no employee of the Company was in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

PARTICULARS OF EMPLOYEES:

The information as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of the provisions of Section 136(1) of the Companies Act, 2013, the annual report and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the registered office of the company during business hours on any working day of the Company up to the date of ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard. Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in the "Annexure B" to this report.

COMPLIANCE WITH REVISED SECRETARIAL STANDARDS:

The Company has complied with applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

COMPLIANCE WITH INDIAN ACCOUNTING STANDARDS (IND AS):

In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards IND AS.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS:

There is no significant and material order passed by any regulator or court or tribunal during the year under review.

DETAILS OF APPLICATION MADE OR PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016:

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency Bankruptcy Code 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During year under review, there has been no one time settlement of loans taken from Banks and Financial Institutions.

ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return is placed on the website of the Company and can be accessed at www.nilaspaces.com under investor segment.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Your Company does not fall within the Top 1000 Companies by market capitalization at the stock exchanges i.e BSE Limited and National Stock Exchange of India Ltd. during the financial year 2023-24 and previous financial year 2022-23 and therefore in terms of SEBI Circular dated 10 May 2021; the requirement of filing and publishing Business Responsibility and Sustainability Report is not applicable to your Company.

Your Company however acknowledges importance of ESG compliances & practices and has voluntarily start implementing various policies pertaining to business responsibility and sustainability. The Company through its internal team and outside experts working on implementing and institutionalizing the sustainability within the eco system of all projects and businesses.

APPRECIATIONS AND ACKNOWLEDGMENTS:

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to become a meaningful player in the industry. Your Directors would also like to places on record its appreciation for the support and cooperation your Company has been receiving from its Stakeholders, Corporations, Government Authorities, Joint Venture partners and others associated with the Company. The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Financial Institutions, Government and Regulatory Authorities and Stock Exchanges, for their continued support. Your Directors also wish to record their appreciation for the continued co-operation and support received from the Consultants and Advisors. Your Company looks upon them as partners in its progress and has shared with them the rewards of growth. It will be the Company's endeavour to build and nurture strong links with the business based on mutuality of benefits, respect for and cooperation with each other, consistent with consumer interests. Your Directors would like to express their thanks to the Government of India for their efforts put in place to curb the pandemic and support the economy of the nation.

Place: Ahmedabad

Date: 09 May 2024

For and on behalf of the

Board of Directors of Nila Spaces Limited

Deep S. Vadodaria

Chairman

DIN: 01284293

ANNEXURE A:

FORM AOC-1:

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENT OF SUBSIDIARY COMPANY, ASSOCIATE COMPANY AND JOINT VENTURE

Pursuant to Section 129(3) of the Companies Act, 2013 (Disclosure in respect of Subsidiaries, Joint Ventures and Associate) read with Rule 5 of the Companies (Accounts) Rules, 2014.

a) Statement containing salient features of the financial statements of subsidiary company: Not Applicable as there is no Subsidiary Company of the Company.

1. Names of Subsidiaries which are yet to commence operations – Not Applicable
2. Names of Subsidiaries which have been liquidated or sold during the year – Not Applicable

b) Statement containing salient features of the financial statements of associate companies and joint ventures

(₹ in lakhs)

SN	Name of Associate Companies	Mega City Cine Mall Private Limited
1.	Latest audited Balance Sheet Date	31 March 2024
2.	Shares of associates and Joint Ventures held by company on the year end	
	i. Number of Shares	233750
	ii. Amount of Investment	222.06
	iii. Extend of Holding %	42.5%
3.	Description of how there is significant influence	By holding more than 20% of Voting Power
4.	Reason why the associate / joint venture is not consolidated	Not Applicable
5.	Net worth attributable to shareholding as per latest audited balance sheet	(248.09)
6.	Profit/Loss for the year	(30.57)
	i. Considered in consolidation	(12.99)
	ii. Not considered in consolidation	(17.58)

(₹ in lakhs)

SN	Name of Joint Ventures (Ceased to be Joint Venture w.e.f. 30 Dec 2023)	Nila Projects LLP
1.	Latest Balance Sheet Date	30 December 2023
2.	Shares of associates and Joint Ventures held by company on the year end	
	i. Number of Shares	NA
	ii. Amount of Investment	0
	iii. Extend of Holding %	0
3.	Description of how there is significant influence	NA
4.	Reason why the associate / joint venture is not consolidated	Not applicable
5.	Net Worth attributable to shareholding as per latest audited balance sheet	0
6.	Profit/Loss for the year	
	i Considered in consolidation	(0.05)
	ii Not considered in consolidation	(0.05)

*Profit/Loss of the LLP is consider in accordance with the Profit Sharing Ratio of the partners

1. Names of associates or joint ventures which are yet to commence operations – Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year – Not Applicable

For Dhirubhai Shah & Co. LLP

Chartered Accountants

Firm's Registration No: 102511W/W100298

**For and on behalf of the Board of Directors of
Nila Spaces Limited**

CIN No. :L45100GJ2000PLC083204

Parth S Dadawala

Partner

Membership No: 134475

Deep S. Vadodaria

Wholetime Director

DIN : 01284293

Anand B Patel

Director

DIN : 07272892

Prashant H Sarkhedi

Chief Financial Officer

Gopi V Dave

Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

ANNEXURE B:

REMUNERATION DETAILS

PART: 1 [Pursuant to section 197(12) of the Companies Act, 2013 and Rule No. 5 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

The median remuneration of the employees of the Company as on 31 March 2024 is ₹ 7,71,600/- per annum and the ratio of remuneration of each Director to this median remuneration is as under.

Name of the Director	Ratio of each Director to the median remuneration of the employee
Deep S Vadodaria	4.47 : 1
Prashant H Sarkhedi	3.22 : 1
Jasvinder S Rana	N.A.
Rajal B Mehta	N.A.
Anand B Patel	4.67 : 1
Shrinjay S Joshi	N.A.
Amit R Chokshi	N.A.
Kruti M Shah	N.A.

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2023-24:

During the year the remuneration of the Director, Company Secretary and Chief Financial Officer increased by 15 %.

3. The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of employees was ₹ 7,71,600 per annum and ₹ 3,63,600 per annum as on 31 March 2024 and 31 March 2023 respectively. There is increase of 112.21% in the median remuneration of employees during the year.

4. The number of permanent employees on the roll of Company: 14 as on 31 March 2024.

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is 15% increase in the remuneration of managerial personnel and employees of the Company during the year except as stated herein above in Sr No 2.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is confirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Remuneration Policy of the Company.

Note:

1. Independent Directors of the Company are paid only sitting fees as per the statutory provisions during the year under review. The ratio of remuneration and percentage increase for Independent Directors is therefore not considered for the aforesaid purpose. The details of sitting fees of Independent Directors are provided in the Corporate Governance Report.
2. Employees for the aforesaid purpose include all on roll employees of the Company.

ANNEXURE C

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2024
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

NILA SPACES LIMITED

1st Floor, Sambhaav House,

Opp. Chief Justice Bunglow,

Bodakdev, Ahmedabad – 380015

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nila Spaces Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable during the year under review.)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is as under:

- Transfer of Property Act, 1882;
- Registration Act, 1882;
- The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- The Land Acquisition Act, 1894;
- Real Estate Regulation Act, 2017,
- Income Tax Act, 1961 and rules made there under;
- The Central Goods and Services Tax Act, 2017 & Gujarat Goods and Services Tax Act, 2017 and rules made there under;
- Payment of Gratuity Act, 1972 and rules made there under;
- Employee State Insurance Act, 1948 and rules made there under;
- Minimum Wages Act, 1948 and rules made there under;
- Payment of Bonus Act, 1965 and rules made there under,
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- The Gujarat Town Planning and Urban Development Act, 1976
- The Environment (Protection) Act, 1986
- The Gujarat Land Revenue Code, 1879
- The Gujarat Tenancy & Agricultural Lands Act, 1948
- The Indian Stamp Act, 1899
- The Gujarat Stamp Act, 1958
- The Gujarat Ownership Flats Act, 1973
- The Indian Contract Act, 1872
- The Gujarat Shops and Establishments Act, 1948
- The Contract Labour (Regulation and Abolition) Act, 1970
- Gujarat Real Estate (Regulation and Development) General Rules, 2017
- GIFT Area Development Control Regulations

(vi) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. Few forms required to be filed under the Companies Act 2013 are filed late with additional fees;

We further report that:

During the year under review, the composition of Board of Directors of the Company was reduced to 5 (five) due to sudden and sad demise of Mr. Jasvinder S Rana – Independent Director. The requirement of minimum six directors was fulfilled within due time and the Board was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

All decisions in the Board is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the Audit period the Company has following specific events/actions having a major bearing on the Companies Affairs in pursuant of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

1. During the year the Company has passed special resolutions vide Postal Ballot Notice dated 13 May 2023
 - a. Re-appoint Ms. Rajal B Mehta (DIN: 08182658) as an Independent Director of the Company for the further period of 5 (five) years.
 - b. Change in terms of appointment of Mr. Anand B Patel (DIN: 07272892) as Non-Executive Director of the Company
 - c. Appointment of Mr. Prashant Sarkhedi (DIN: 00417386) as Whole Time Director of the Company (Designation Change from Non-Executive Director to Executive Director)
 - d. Appointment of Mr. Deep Vadodaria (DIN: 01284293) as Whole Time Director of the Company
2. Appointment of Prashant Sarkhedi as Chief Financial Officer (CFO) by the Board of Directors vide meeting held on 13 May 2023
3. Mr. Amit Chokshi (DIN: 10283515) was appointed as an additional director (Non- Executive Independent) for a term of 5 (Five) years by the Board of Directors of the Company vide meeting dated 21 August 2023. The regularization was done by the members in the Annual General Meeting dated 27 September 2023
4. Kruti Manan Shah (DIN: 07827540) was appointed as an additional director (Non- Executive Independent) for a term of 5 (Five) years by the Board of Directors of the Company vide meeting dated 26 August 2023. The regularization was done by the members in the Annual General Meeting dated 27 September 2023

Place : Ahmedabad
Date : 09 May 2024

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924
Peer Review No. 766/2020
UDIN: F004411F000338899

To,
The Members,
NILA SPACES LIMITED
1st Floor, Sambhaav House,
Opp. Chief Justice Bungalow,
Bodakdev, Ahmedabad – 380015

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Ahmedabad
Date : 09 May 2024

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924
Peer Review No. 766/2020
UDIN: F004411F000338899

ANNEXURE D

Form AOC-2
(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of Contracts / Arrangements entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts/ arrangements /transactions	Salient terms of the contracts/ arrangements /transactions including value, if any	Justification for entering into such contracts/ arrangements/ transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
-----NIL-----								

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts/ arrangements/ transaction including value, if any	Date(s) of approval by the Board and Audit Committee, if Any	Amount paid as advances, if any	Date on which shareholders resolution was passed in general meeting u/s 188(1)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
-----NIL-----							

Place: Ahmedabad
Date: 09 May 2024

For and on behalf of the
 Board of Directors of Nila Spaces Limited

Deep S. Vadodaria
 Chairman
 DIN: 01284293

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL AND DOMESTIC ECONOMY:

The world economy proved more resilient than expected in 2023 amid significant monetary tightening and lingering policy uncertainties worldwide, even as multiple shocks arising from conflict and climate change wrought havoc on the lives and livelihoods of millions, further jeopardizing progress towards sustainable development. Several large developed economies showed remarkable resilience, with robust labour markets supporting consumer spending despite sharp monetary tightening. At the same time, inflation gradually declined in most regions on the back of lower energy and food prices, allowing central banks to slow or pause interest rate hikes. This veneer of resilience, however, masks both short-term risks and structural vulnerabilities. Underlying price pressures are still elevated in many countries. A further escalation of conflicts in the Middle East poses the risk of disrupting energy markets and renewing inflationary pressures worldwide. As the global economy braces for the lagged effect of sharp interest rate increases, the major developed country central banks have signalled their intention to keep interest rates higher for longer. The prospects of a prolonged period of higher borrowing costs and tighter credit conditions present strong headwinds for a world economy that is saddled with high levels of debt but also in need of increased investment, not only to resuscitate growth but also to fight climate change and accelerate progress towards the SDGs. Moreover, tight financial conditions, coupled with a growing risk of geopolitical fragmentation, pose increasing risks to global trade and industrial production. While the world economy avoided the worst-case scenario of a recession in 2023, a protracted period of low growth looms large.

The economy of the USA performed remarkably well during the past year, but growth is expected to decelerate from an estimated 2.5 per cent in 2023 to 1.4 per cent in 2024. Robust consumer spending on the back of strong household balance sheets and resilient labour and housing markets supported the better-than-expected performance in 2023. Despite aggressive monetary tightening by the Federal Reserve, the unemployment rate stood at only 3.7 per cent. Robust house prices boosted and sustained the net worth of homeowners, exerting a strong wealth effect and supporting high levels of household spending. In the CIS, economic growth beat earlier projections, reflecting higher-than-expected growth in the Russian Federation, a moderate rebound in Ukraine after a deep contraction in 2022, and strong performance in the Caucasus and Central Asia. The aggregate GDP of the CIS and Georgia expanded by an estimated 3.3 per cent in 2023 and is projected to grow by 2.3 per cent in 2024. Developing countries face divergent near-term growth prospects. In China, the economic recovery from COVID19-related lockdowns has been more gradual than expected amid domestic and international headwinds. The economy turned a corner during H2-2023, with the growth rate reaching 5.3 per cent for the year, an increase from 3.0 per cent in 2022. Reduced policy and mortgage rates and increased public sector investment financed with new bonds boosted growth. While consumption has been a major driver of growth, consumer confidence remained tepid in 2023. The economies of East Asia experienced a moderate slowdown, with growth declining to 4.9 per cent in 2023. GDP in South Asia grew by an estimated 5.3 per cent in 2023, driven by a robust expansion in India, which remains the fastest-growing large economy in the world.

The GDP in South Asia grew by an estimated 5.3 per cent in 2023 and is projected to increase by 5.2 per cent in 2024, driven by a robust expansion in India, which remains the fastest-growing large economy in the world. The recovery of services exports – particularly tourism – has been robust, a slowdown in global demand will likely depress merchandise exports, which have been the major driver of growth for many countries in the region.

After surging for two years, global inflation eased in 2023 but remained above the 2010-2019 average. Global headline inflation fell from 8.1 per cent in 2022, the highest value in almost three decades, to an estimated 5.7 per cent in 2023. Despite these promising developments, food prices showed signs of an uptick in the H2-2023, particularly in Africa, South Asia and Western Asia, due to limited pass-through from international prices to local prices, weak local currencies, and climate-related shocks. High food prices have been a significant driver of food insecurity in developing countries, disproportionately affecting the poorest households, which spend a larger share of their income on food. In 2023, an estimated 238 million people experienced acute food insecurity, an increase of 21.6 million people from the previous year. Women and children are particularly vulnerable. The inflationary trend in developing countries has also aggravated poverty, reversing some of the hard-won progress in poverty reduction. In low-income countries – particularly those in Africa and Western Asia – poverty rates remained well above pre-pandemic levels. As headline inflation has started to subside, monetary policy stances across the world have begun to diverge. As many as 28 out of 130 central banks lowered policy interest rates during the first ten months of 2023. However, the global monetary policy stance remains largely restrictive. The Federal Reserve and the European Central Bank continued to raise interest rates in 2023, albeit at a slower pace, as core inflation remained above the target.

Despite inflationary pressures, the global economy is supported by a robust labour market, increased domestic spending, an influx of foreign capital and a prudent response to the energy crisis in Europe. Many emerging markets and economies have already recovered, which has bolstered real incomes. An optimistic global outlook would also be determined by the speed and effectiveness of fiscal and monetary policy actions implemented to boost economic expansion. The Central Banks have been tightening monetary policy, which is expected to curb sticky inflation and foster long-term growth.

In addition to raising interest rates, the major developed country central banks (with the exception of the Bank of Japan) started reducing the assets on their balance sheets through QT in 2022 and accelerated the pace in 2023 to reduce excess liquidity. From the global financial crisis in 2008 onward, QE remained a key monetary policy tool for boosting investment and growth and ensuring financial stability. During the pandemic, monetary authorities reverted to QE to inject liquidity and stabilize financial markets. Many developing country central banks implemented QE for the first time during the pandemic. Although QT has contributed to tighter financial conditions, the impact on long-term bond yields has been less pronounced given that QT is being implemented more gradually than QE, which has typically been rolled out relatively quickly to avert financial crises. Monetary tightening (including QT) by major developed country central banks will have significant spillover effects on developing countries. Although international financial conditions remained moderately benign amid rising equity prices and low volatility, especially in the H1-2023, many developing countries continue to face high borrowing costs, constrained access to international capital markets, and depreciating exchange rates. Rising borrowing costs and currency depreciations have exacerbated debt sustainability risks in many developing countries. During the post-pandemic period, fiscal revenue has stagnated or even shrunk while the debt-servicing burden has continued to increase, especially in developing countries with higher levels of USD or Euro denominated debt, in the face of rising interest rates. This is particularly concerning at a time when developing economies need additional external financing to stimulate investment and growth, address climate-change-related risks, and accelerate progress towards the SDGs. The Federal Reserve and the European Central Bank continued to raise interest rates in 2023, albeit at a slower pace, as core inflation remained above the target.

The global economy was roiled by volatile food and commodity prices and elevated inflation. The Russia-Ukraine conflict, which caused supply chain disruptions worldwide, exacted a heavy toll on the economy. The rising costs of living, inflated food and commodity prices and tightened liquidity conditions also impeded global economic growth. Supply chain constraints and market volatility have considerably dampened consumer sentiment and lowered capital outflows. Several nations continue to grapple with persistent demand-supply imbalances and decadal-high inflation rates. To tame inflation and achieve price stability, central banks around the world have responded with synchronised rate hikes and tightened monetary policies. At the end of FY2023, the global economy recovered gradually from the waning effects of the pandemic and geopolitical tensions.

The Indian government has managed to maintain a favourable domestic policy environment and prioritise structural reforms, allowing the country's economy to remain resilient amid global challenges. Additionally, the country's stable inflation rates, higher disposable income and continued investment in infrastructure development are expected to contribute positively to economic growth in the future. Various high-frequency indicators, such as GST collections, railway and air traffic, electronic toll collections and E-Way bill volume, suggest a robust economic recovery in India. This persistent growth momentum has positioned India as an attractive investment destination. Strong economic growth in Q1-FY2023 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in FY2024 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the FRE of GDP for FY2023 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during FY2024 is estimated at 9.1% as compared to 14.2% in FY2023. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the H1-FY2024. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months. India's appeal as a destination for investments has grown stronger and more sustainable because of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds are evidence of investor faith in the "Invest in India" narrative. The CAD stood at US\$ 10.5 billion for Q3-FY2024 compared to US\$ 11.4 billion or 1.3% of GDP in Q2-FY2024. This was largely due to higher service exports. Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. According to HSBC Flash India PMI report, business activity surged to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.

India's foreign exchange reserves stood at US\$ 643.162 billion. In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments. Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during FY2024. India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications. In March 2024, the gross GST stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion). Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion. In February 2024, the overall IIP stood at 147.2. The IIP for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024. According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's CPI based retail inflation reached 5.69% in December 2023. India's comparatively strong position in the external sector reflects the country's positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations. India's economic story during H1-FY2024 highlighted the unwavering support the government gave to its capital expenditure, which, in FY2024, stood 37.4% higher than FY2023. In the budget of FY2024, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Against this backdrop of lingering risks and uncertainties, the IMF's World Economic Outlook reports that global growth will improve moderately to 2.7 per cent in 2025 but will remain below the pre-pandemic trend growth rate of 3.0 per cent. Growth prospects for many developing countries, especially vulnerable and low-income countries, have remained weak, making a full recovery of pandemic losses ever more elusive. This may change quickly, especially if housing and asset prices drop and effectively reduce household net worth. Amid falling household savings, high interest rates, and a gradually softening labour market, consumer spending is expected to weaken in 2024 and investment is projected to remain sluggish. While the likelihood of a hard landing has declined considerably, the United States economy will face significant downside risks from deteriorating labour, housing and financial markets. Europe faces a challenging economic outlook amid still elevated inflation and high interest rates. In the EU, GDP is projected to expand by 1.2 per cent in 2024, up from 0.5 per cent in 2023. The mild recovery is expected to be driven by a pick-up in consumer spending as price pressures ease, real wages rise, and labour markets remain robust. The continued and lagged effects of tight financial conditions and the withdrawal of fiscal support measures will partly offset the positive effects of these key drivers of growth in 2024. Growth in Japan is projected to slow from 1.7 per cent in 2023 to 1.2 per cent in 2024 despite accommodative monetary and fiscal policy stances. Rising inflation may signal an exit from the deflationary trend that persisted for more than two decades. Slowing growth in China and the US – the country's main trading partners – is expected to curb net exports in 2024.

Global inflation is expected to gradually decline, although slower than initially anticipated, from 8.7% in 2022 to 4.9% in 2024. Major developed country central banks are likely to keep the rates higher for longer, as rising nominal wage growth has signalled the risk of second-round effects, and escalating geopolitical tensions may create renewed inflationary pressure. Higher inflation and the resumption of monetary policy tightening in the Russian Federation are expected to weigh negatively on the region's growth in 2024. A combination of continued weakness in the property sector and faltering external demand – negatively affecting the growth of fixed investment, industrial production and exports – will nudge growth down moderately to 4.7 per cent in 2024. A further decline in global inflation to 3.9 per cent in 2024 is projected due to further moderation in international commodity prices and the weakening of demand amid monetary tightening. Major developed country central banks are likely to keep the rates higher for longer, as rising nominal wage growth has signaled the risk of second-round effects, and escalating geopolitical tensions may create renewed inflationary pressure.

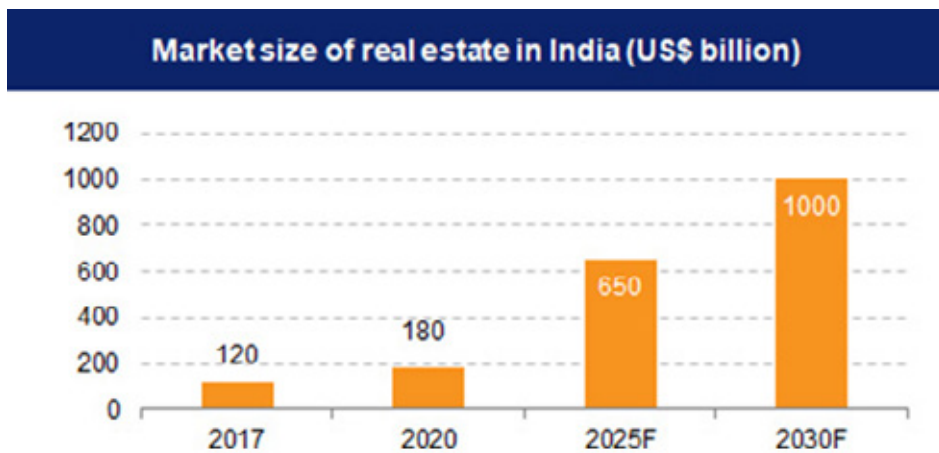
Growth in India is projected to reach 6.2 per cent in 2024, slightly lower than the 6.3 per cent estimate for 2023, amid robust domestic demand and strong growth in the manufacturing and services sectors. Growth in several economies in the region will face downward pressures from tighter financial and fiscal conditions, balance-of-payments challenges, and the return of the El Niño climate phenomenon.

In 2024, tighter financial conditions will undermine domestic demand, and slower growth in China and the United States will constrain exports. Despite global challenges, India's economic activity has remained robust due to a favourable domestic policy environment and the Government's continued emphasis on structural reforms. Stabilising inflation, narrowing current account deficit, improving consumer sentiments and a favourable policy environment are likely to aid the Indian economy. Moreover, government initiatives like Atmanirbhar Bharat and the PLI scheme would contribute to economic growth by increasing local output. A combination of rising disposable income, easy access to credit and lowering interest rates in the wake of a stabilising inflation trajectory will bode well for economic growth going forward. In the post-COVID-19 period, the Indian real estate market experienced high demand across various sectors, driven by pent-up demand and positive market sentiments. Despite global challenges in 2023, India's strong macroeconomic fundamentals are expected to support the continued development of the real estate sector. Leasing activity for offices recorded significant growth of 40% year-on-year in 2022, along with decreasing vacancy levels and rental recovery in several cities. The housing market also saw positive trends, with an estimated 312,666 housing units sold in India in 2022. Affordable housing financing options and low-interest house loans are expected to enhance homeownership accessibility for a broader population segment. Real estate developers are focusing on providing innovative and sustainable housing solutions, including integrated townships and smart cities with modern amenities and infrastructure. These factors, coupled with the evolving expectations and lifestyles of the growing Indian middle class, will continue to drive demand in the housing market.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback. India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

INDUSTRY SCENARIO:

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.



The Indian real estate sector has witnessed remarkable growth over the past few decades, driven by urbanization, increasing disposable incomes, and demographic changes. The market size is substantial, with domestic and foreign investors actively participating in various segments. 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%. Following are several factors influencing the growth of the realty sector in India:

Economic Trends and Indicators: India's economic health stands as a cornerstone influencing the real estate market. Inflation rates, GDP growth, and employment figures significantly impact consumer purchasing power and confidence. For example, higher GDP growth rates usually correlate with increased demand for residential, commercial, and industrial spaces, driving construction activity and property prices. Fitch Ratings has revised India's GDP growth forecast to 7.8% in FY24 and 7.0% in FY25.

Government Policies and Regulatory Reforms: Initiatives like the Real Estate Regulatory Authority (RERA), Goods and Services Tax (GST), and policies promoting affordable housing and smart cities. RERA is one of the most significant regulatory reforms introduced in the Indian real estate sector. It aims to protect the interests of homebuyers and promote transparency, accountability, and efficiency in real estate transactions.

Also, the implementation of GST in 2017 has streamlined the tax structure in the real estate sector by replacing multiple indirect taxes with a unified tax regime. These reforms aim to safeguard buyer interests, improve investor confidence, and streamline the industry, thus influencing the market's growth trajectory.

Interest Rates and Monetary Policies: Interest rates directly impact the cost of borrowing for developers and homebuyers. Lower interest rates make borrowing cheaper, encouraging developers to undertake new projects and homebuyers to invest in properties. It stimulates demand in the real estate market, leading to increased sales and development activity.

Demographic Shifts and Urbanization: India's rapidly growing population and urbanization trends are deeply influencing the real estate sector. The influx of people into urban centers fuels the demand for commercial and residential spaces. Additionally, changing demographics, such as the rise of the millennial workforce and their evolving preferences, impact the type of properties in demand, pushing for more modern and tech-integrated spaces.

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.

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.

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. Increasing usage of Artificial Intelligence, Machine Learning, Analytics, Automation and digital are several technological advancements which are definitely shape the Real Estate Industry in years to come. The real estate industry is under transformation phase due to the increased usage of advance technology and automation. AI in real estate can take many forms. It encompasses analytics that inform investing and decision making as well as automations that help professionals throughout the industry provide an optimal customer experience. The real estate industry in India stands poised at the threshold of a transformative year in 2024. Characterized by a delicate balance of cautious optimism and burgeoning potential for growth, the sector plays a pivotal role in shaping the nation's economic landscape. In 2024, the Indian real estate sector exhibits promising indicators of market growth, fueled by stable interest rates and an upswing in property prices. This positive path creates an atmosphere of cautious optimism, suggesting a short-term boom. However, beyond immediate gains, the significance of real estate policies takes center stage, marking a crucial juncture for long-term economic sustainability. Government initiatives, including infrastructure development and the 'Housing for All' initiative, underscore the sector's commitment to stability and accessibility, fostering an environment conducive to sustained economic growth. As the industry grapples with challenges and opportunities, the real estate policies set forth in 2024 emerge as key drivers, holding the potential to contribute significantly to a thriving and sustainable economy in the long term.

THE COMPANY:

Your Company's continues to focus in capitalizing on the ample opportunities within the dynamic real estate sector. Leveraging the Company's extensive experience in successfully executing affordable housing projects, a substantial gap has been identified in emerging market segments characterized by evolving lifestyle preferences and the integration of technology. As previously discussed, these segments include shared living spaces such as co-living arrangements, co-working environments, and service apartments, among others. The primary objective of your Company is to meet the evolving demands stemming from shifting societal norms and technological advancements. While continuing to harness the core strength in delivering affordable housing to premium housing solutions and equally committing to shaping the future of urban living. This strategic diversification of the Company aligns with the overarching goal not only by addressing the contemporary needs of our customers but also by anticipating and adapting to the changing landscape of urban life. Although not mandatorily applicable under the law; ESG is an integral part of almost every thought while undertaking business operations. We believe Environment – Sustainability – Governance is arguably the most important dimension of every economic activity across the globe. The Company has established robust Governance Framework ensuring transparency, accountability and ethical behaviour. On Environment & Sustainability front the Company takes utmost care to minimise the usage of things which emission carbon. The Company already started taking steps even to gather carbon credit and audit by independent firm to ensure minimum carbon emission through the project executions. A core team of members including company employees and outside experts are designing ESG framework considering future growth of the company and sensitivity of ESG globally in years to come. Your Company is actively seeking to grab the available opportunities in these areas and in fact have partnered with prominent player in co working business. Your Company foresee huge business prospects in these unique segment because of increasing attraction and digitization of businesses.

Your company is focusing on creating such platforms that allows people to invest in properties with smaller amounts of capital such as studio units that small, self-contained units with a combined living and sleeping area and Fractional Ownership Units where individuals collectively owns a single asset. Further Company is also working in the direction of embracing blockchain technology to facilitate fractional ownership, streamline transactions and enhance security in real estate. Real estate provides housing for individuals and families, addressing one of the most fundamental human needs. Meeting the demand for various types of housing, from affordable housing to luxury residences, is crucial for creating vibrant and inclusive communities. To unlock the full potential of real estate, collaboration among various stakeholders including governments, developers, investors, and communities is essential. Your Company's Strategies focuses on sustainable development, inclusivity, innovation, and long-term value creation for both residents and society as a whole.

VIDA – Residential Project at GIFT City

The VIDA residential project in GIFT City blends urban living and sophistication, catering to modern professionals with luxury, technology, and a focus on consumer experience. It stands out by using virtual reality to showcase its offerings, departing from traditional real estate methods. Nestled in GIFT City's financial hub, VIDA offers various apartment options with contemporary designs, green bridges, rooftop terraces, and a vertical green facade. Nila Spaces collaborates with Blocher Partners India to redefine urban living, emphasizing spacious homes, modern amenities, and community spaces inspired by natural patterns. Members enjoy bespoke concierge services through 'Quintessentially,' along with upscale solutions like an Automated Waste Collection System and an exclusive sky park with a jogging track. VIDA represents the real estate industry's technological expansion, with future innovations like 3D printing, IoT, 5G integration, and a focus on environmental, social, and governance (ESG) aspects.

The project comprises of 496 residential units out of which 362 units have been sold as on 31 March 2024. The Company has received overwhelming response for the project and is thankful to the esteemed home buyers for their confidence and trust towards the Company.

Co Working Space Project at GIFT City:

Your Company has developed commercial spaces of 5000 sq mtr. at GIFT City SEZ area to develop co working office space in collaboration with DEVx Accelerator Limited. The co working spaces building offers small to medium to large size office spaces solutions to varied customers at GIFT City.

FINANCIAL RESOURCES:

The foremost source of finance of your Company has traditionally been internal accruals and borrowings from banks. However, at present your Company is totally debt-free. Your Company deems it sufficient to address the ongoing business endeavours.

JOINT VENTURES:

Our company partners with joint ventures to strategically share resources and expertise, enhancing efficiency and innovation. This collaboration allows for effective risk management by distributing potential uncertainties across both entities. Together, we accelerate growth, leveraging combined strengths to expand market reach and drive mutual success.

SEGEMENT WISE AND FINANCIAL PERFORMANCE OF OPERATIONS:

The entire operations of the Company constitute a single segment i.e. "Construction and Development of Building for sale and other Real Estate activities" as per Ind AS 108 "Operating Segments" specified under Section 133 of the Annual Report 2023-2024. The financial performance of the operations thereof may please be referred in the Director's Report section under the head "Review of Operations and Financial Performance".

KEY FINANCIAL RATIOS:

The detailed discussion on financial performance is captured in the Directors' Report section of this Annual Report, while analysis of key ratios is furnished further.

Ratio	FY2024	FY2023	Detailed explanation
Debtor Turnover	268.03	2.99	The credit policies and collection process of your Company are satisfactory and commensurate to the industry and/or the segment it operates into. The Collection process of your Company is well established. The debtors and Turnover at 31 March 2024 have increased as compared to 31 March 2023
In Days	1	122	
Inventory Turnover	0.95	0.01	The overall inventory at 31 March 2024 has decreased as compared to 31 March 2023; the holding period has decreased due to fairly high revenue as compared to previous FY because company has started recognising revenue for its VIDA Project. Hence, this movement in inventory turnover.
In Days	385	30,393	
Interest Coverage Ratio	0.00	0.00	As on 31 March 2024, your company is debt free except for nominal debt of ₹ 17.70 lacs towards vehicle loan.
Current Ratio	1.84	2.61	During FY 2024, there is no major change in current liabilities and current assets.
Debt Equity Ratio	0.00	0.00	As on 31 March 2024, your company is debt free except for nominal debt of ₹ 17.70 lacs towards vehicle loan.
Operating Profit Margin	10.77%	(792.89%)	During FY 2024, Company has started revenue recognition for its VIDA Project. Hence, this movement in Margin.
Net Profit Margin	7.46%	(398.94%)	During FY 2024, Company has started revenue recognition for its VIDA Project. Hence, this movement in Margin.
Return on Net worth	10.92%	(4.59%)	During FY 2024, Company has started revenue recognition for its VIDA Project. Hence, this movement in Margin.

FUTURE OUTLOOK & OPPORTUNITIES:

The future of the real estate industry in India holds both challenges and opportunities, shaped by various factors including economic trends, regulatory reforms, technological advancements, and changing consumer preferences. The growing flow of FDI in Indian real estate is encouraging increased transparency. Developers, to attract funding, have to revamped their management systems and accounting to meet due diligence standards. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space. A report by Concorde outlines a robust Compound Annual Growth Rate (CAGR) of 9.2% for the real estate sector from 2023 to 2028. Several emerging trends in the Real Estate Sector which can offer tremendous opportunities to your Company to accelerate growth are as below.

Machine Learning, Artificial Intelligence, AR & VR:

AI and automation are ushering in a new economic era, which will be more revolutionary than any technology innovation that's come before. It is important to note that real estate is a touch-and-feel industry and customers will always choose to decide after a physical inspection. Present technology of AR & VR can serve as an enabler for creating a more curated market experience and AI is generating accurate and relevant market information. AI-led voice bots converse with clients, and ensure the timely delivery of the right information, maximising the probability of conversion of enquiry into customer. Today the technology also provides recommendations and guided experiences. The integration of 3D modelling, VR, augmented reality, and AI is reshaping project designing, project monitoring, viewing, sales & marketing, customer dealing, after sales services and almost all functions of the industry. Leveraging GenAI, personalised property recommendations tailored to individual customer interests are significantly enhancing the purchasing experience. Your company envisage tremendous growth of the industry because of emergence of such technologies and has made active use of AI and other tools for its projects.

Co Working Office Spaces:

As mentioned, your Company in partnership has developed a co working office complex at GIFT City and is successfully managing the business. Investing in coworking spaces offers real estate investors a unique opportunity to diversify their portfolios by venturing beyond traditional property investments. Diversifying investments can effectively reduce the risks linked to market fluctuations in various sectors. Presently emerging structures like co working office spaces on sharing basis, flexible workplace solutions, ranging from individual flexible desk needs to customized office spaces for start-ups, small and medium enterprises as well as for large corporates and multi-national corporations; are expanding rapidly.

While maintaining a foothold in Tier 1 cities with established corporate hubs, flexible space businesses are now extending their reach to Tier 2 cities such as Kochi, Ahmedabad, Indore, Coimbatore, and Jaipur. This expansion is driven by the presence of supportive infrastructure, corporate expansion objectives, and a strong talent pool in these locations. The reasons for growth and acceleration of these cities are elucidated below:

- Post COVID – 19, India is expected to remain a preferred global outsourcing destination primarily due to availability of low – cost office space and presence of ample skilled workforce.
- The major occupiers / corporates in India shall remain uncertain about long term leasing solutions post the COVID-19 pandemic and hence, are expected to prefer part of their portfolio in flexible workspaces due to adoption of hybrid and distributed working.
- Increase in the adoption of the flexible workspace format by larger enterprises / corporates / MNCs requiring outsourcing business operations that lets occupiers focus on core businesses.
- Despite a gradual shift towards WFH culture, it is anticipated physical offices shall continue to be preferred going forward and hence, portfolio optimization through a right mix of traditional and flexible workspaces and relevant remote working strategy could become a part of the overall product mix. Popularity of distributed working models, low cost hiring in Tier 2 cities, and emergence of more start-ups in India is expected to add to the demand for flexible workspaces going forward.

Various benefits of Flexible Workspaces over Traditional Spaces for a tenant

- **Cost Savings:** Flexible workspaces often translate to lower fixed costs, such as rent and utilities, as companies pay for the space they use, potentially reducing overhead expenses. As per a study, a tenant can save approximately 20%-22% if opts for a flexible workspace of 100 seats over a three-year period.
- **Flexibility of duration:** Tenants with space requirement for a shorter duration face certain challenges in leasing out space with space owners as the minimum lock-in period for organized office spaces is typically approximately three years. Flexible workspaces allow the tenants to take up spaces as per their requirement in terms of lease tenures / lock-ins, thus allowing for greater flexibility.
- **Flexibility in area / seats requirement:** Allows for adaptation to changing business needs. Companies can scale up or down easily based on workforce fluctuations.
- **Diverse Environment:** Employees have access to a variety of work settings, fostering creativity and productivity. Spaces may include open work areas, private offices, and collaborative zones.
- **Collaboration Opportunities:** Shared workspaces facilitate networking and collaboration with professionals from diverse industries. This can lead to valuable partnerships and idea exchange.

Co Living Space & Solutions:

Your Company actively working on various emerging format including living shared space solutions, joint accommodations, space for parking lots, service apartments, home solutions, etc. As per the report of JLL significant transformation in the The 'co-living' market in the country is expected to grow at a CAGR of 17 per cent in the next five years to touch nearly \$40 Billion. India, therefore, provides a blooming opportunity for developers, investors and even start-ups in the 'co-living' spaces. Factors such as increasing workforce, migration to urban centres, and dearth of good bachelor living options serves as major demand drivers for the organized modern co-living model.



Co Living has strong long-term potential in the metro cities. The shift in the perceptions amongst millennials to 'sharing' instead of 'owning' has made the co-living concept popular. For all groups- corporate occupiers, start-ups, entrepreneurs, and millennials, - renting offers flexibility and savings. However, co-living in India is still at nascent and evolving stage.

Fractional Ownership of Real Estate:

The Indian real estate market is witnessing a surge in fractional ownership, a concept revolutionizing accessibility for aspiring investors. Unlike traditional methods requiring hefty sums, fractional real estate investing India allows one to co-own a high-end property with multiple investors. This reduces upfront costs and opens doors to a diversified portfolio, including luxury apartments or lucrative commercial spaces.

Driven by a growing desire for premium property access and stable returns, fractional ownership is rapidly gaining traction. This innovative approach is poised to transform the Indian real estate landscape, making it more inclusive and lucrative for a wider range of participants.

Fractional ownership in real estate has been gaining popularity because it removes the traditional barriers associated with real estate investment - a requirement for high capital and risk appetite, allows retail investors to participate in the investment, earn returns and avail the benefit of rising valuations of the real estate market, and opens up a new asset class for investments, thus promoting greater diversification in investment portfolios. Given the traction, SEBI has notified amendments to the REIT Regulations to introduce a framework for small and medium Real Estate Investment Trusts (SM REITs) on March 8, 2024. The minimum investment amount has been lowered to 10 lakhs from the previous 25 lakhs, making it more accessible for investors. The size of the asset to be acquired in a SM REIT scheme should be at least ₹50 crore and less than ₹500 crore with units to be issued to a minimum of 200 investors. This shift aims to standardise practices across platforms, increase disclosure requirements, and empower investors with greater rights, thereby fostering a more transparent, accessible, and regulated market with higher liquidity.

The Indian fractional ownership market is currently estimated at around \$500 million and is expected to grow 10 times in the next five years to surpass \$5 billion of Asset Under Management (AUM) by 2030.

Tokenization of Real Estate:

The extension of fractional ownership shall be emergence of real estate tokenization involves the process of converting real estate assets into digital tokens on a blockchain. These tokens represent ownership or investment in the underlying real estate property, allowing fractional ownership and increased liquidity through trading on digital asset exchanges. Compared to other asset class real estate is illiquid and inefficient. Tokenization makes real estate more efficient, liquid, and transparent. Tokenization is ideal for owners of a single asset or a small portfolio of assets, due to the significant reduction of time and cost in offering investors the right to participate in fractional ownership and subsequent secondary trading. In simple words, real estate projects are divided into small fractions of instruments and subsequently these instruments are converted into digital assets which can be hold by the investor in demate or digital wallet. The tokens can easily be traded in secondary market through the permissible platforms.

Presently the biggest challenge in Tokenization of real estate is absence of formal regulatory norms enabling common set of rules for industry players to tokenize the real estate. Your Company is actively perusing possibilities of such models in consultation of experts to unlock the value of its real estate properties.

Emergence of Smart Cities and Specified Areas:

Emergence of Smart Cities and other Specified Area in the nation like GIFT City is likely to transform real estate landscape dramatically. GIFT City. Gujarat International Finance Tec-City also know as GIFT City situated at Gandhinagar – Gujarat is the India's first operational greenfield smart city and international financial services centre.

- A Global Financial & IT Hub: with a Domestic Tariff Area & a Multi Services SEZ.
- A Globally benchmarked IFSC: (International Financial Services Centre)
- Large Employment opportunities
- A Smart City: with State-of-the-Art Infrastructure
- Integrated urban development: with walk-to-work concept
- GIFT City became India's first "PLATINIUM" rated city, highest certification as greenfield smart city"

Strategic advantages of having projects presences at GIFT City:

- 20 Mins from Ahmedabad International Airport.
- 15 Mins from Nearest Railway Station.
- On the Banks of Sabarmati River.
- Along National Highway 48 (Delhi-Mumbai Industrial Corridor)
- Metro Connectivity to Ahmedabad (Approved by Govt. of Gujarat)
- 15 Mins from Bullet Train Terminus (Ahmedabad – Mumbai. approved by Govt. of India.)

THREAT, RISKS & CHALLENGES:

As is typical in expanding business activities your Company has become a subject to a variety of risks, challenges, and threats. It is recognized that risks are not only inherent to any business but are also dynamic in nature. Further, the Company is susceptible to certain risks arising out of various activities undertaken in the normal course of business. There are many constraints affecting the smooth functioning of the industry in which your Company operates. The table below provides a brief overview of the most significant risks and your company's approach to managing them.

Risk	Explanation	Mitigation approach
Pandemic risk	Any epidemic/pandemic can cause interruption/disruption in the execution and business	Your Company categorises Project sites into High, Medium and Low based on perception of such risk and the sites are mandated to be operated with strict adherence to the government/ HSE guidelines. Your Company focuses to ensure the health and safety of all employees, labourers, suppliers and channel partners, while initiating stringent measures to control costs and strengthen cash flows.
Health and Safety at projects	Any employee, labour, worker is hurt or killed by an accident at work.	Apart from the QMS, project execution policy/ processes, loss prevention programmes, insurance, etc. your Company ensures to initiate development and construction of the Project, only post identifying, defining and addressing all such risk propositions and dynamics. Your Company also ensure to share sufficient knowledge about such risks and imparts adequate training to all the employees, labourers, workers, so as to tackle such risks. Zero accident programs supported by proactive near miss reporting aims at the avoidance of all workplace accidents.
Health and Safety related to your Company's construction	Person or persons are hurt or injured as a result of your Company's construction failure or defect. Stability/ sturdiness of the structure is compromised.	Your Company follows strict design and validation rules for all projects, and fully adheres to stipulated requirements for safety and structural sturdiness. Your Company ensures implementation of detailed instructions of the client, Architect, Structural Engineer, PMC, etc. to ensure the fulfilment of requirements and your Company's quality standards. Your Company's overall approach to quality management assures conformance and performance to the highest level.
Interest rate risk	Your Company's interest costs are impacted by market rates.	Your Company's liquidity and borrowing are managed by professional at Senior management level. The interest rate exposure of your Company is reduced by matching the duration of investments and borrowings.
Credit risk	The flat-buyer's ability to pay can have an impact on the financial result.	As per your Company's policy only the flat-buyer's that get loan from bank/FI/NBFC/HFC and/or who can establish sufficient assets/ investments/liquidity are entertained. Receipt plan is drawn per prospective flat-buyer, and is continuously monitored.

Risk	Explanation	Mitigation approach
Liquidity risk	Acceptable liquidity levels are required in order to achieve desired financial results.	Based on the networth alongwith the relevant financial- matrix, your Company is favourably placed, while in addition it has developed sufficient creditworthiness to seek financial assistance from banks.
Market risk	Your Company's competitors find ways to sell at dramatically lower cost or with better amenities.	Your Company aims to be the cost and value leader, meaning striving to innovate and bring new and increased value through the innovation to our customers while at the same time working to assure that your Company's operations are world class in terms of efficiency, cost and waste avoidance. Your Company has developed proprietary knowledge with different technologies, while the management provides highest importance to the Quality perspective to ensure long-term sustainable growth.
	Your Company's customers could be impacted by a major economic downturn.	The demand-supply gap for the subject flats at the project site is positive for short-to-long term. Your Company had done internal assessment as well as through an international property consultant of very high repute. Your Company uses market data intelligence to follow and anticipate developments – allowing proactive management of changing market conditions.

Your Company is operating in a business which is cyclic in nature and in which; the price is mainly driven by the demand and supply factors. It is not largely based on the cost of the product. Timely supply of raw material like cement, steel, bricks are essential for timely completion of the projects. Shortage of labour and raw material may delay the execution of projects of the Company. The real estate projects are capital intensive in nature. The Company's business requires long-term commitment of capital to meet the financial requirement of long-term projects. Further, timely availability of skilled and technical personnel is also one of the key challenges. Real-estate projects are mainly dependent on the economic scenarios and any adverse events affecting the whole economy may deteriorate the industry as well. Any significant change in government policy in promoting Affordable Housing could pose a threat. Further, the approval process and time for projects are generally uncertain which may delay the execution and thereby affect financials. Your Company has in place an effective risk management mechanism to identify potential risk and its timely mitigation.

CORPORATE GOVERNANCE:

Your Company's Corporate Governance philosophy is based on the total transparency, integrity, fairness, equity, accountability and commitments to the values. Your Company is committed to the best governance practices that create long term sustainable shareholder value. With the object of your Company to conduct its business in a highly professional manner and thereby enhance trust and confidence of all its stakeholders, your Company has devised a complete compliance of Corporate Governance norms. Your Company firmly believes that definite Corporate Governance leads to the optimal utilization of resources and enhances the value of the enterprise and an ethical behavior of the enterprise leads to honoring and protecting the rights of all the stakeholders. Sound Corporate Governance practices and ethical business conduct always remain at the core of your Company's value system.

The Annual Return for the FY2024 is available at the website of your Company at www.nilaspaces.com under the investor segment. A separate report on Corporate Governance is provided together with a Certificate from the Practicing Company Secretary of your Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations. A Certificate of the CEO and CFO of your Company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is part of this Annual Report.

and have been instrumental in bringing in thought leadership in building strong employee relations. There is no material development in HR. Your Company continued to build on the Diversity and Inclusion agenda through building leadership capability and recognizing line managers who provide a simple, flexible and respectful work environment for their teams.

WORK CULTURE AND HUMAN RESOURCES:

The management believes in team work and a corporate environment which is self-motivating. Your Company has successfully developed a work force of people over a period of time. The top management is acting as the governing force in creating and maintaining the corporate work culture. The businesses that your Company engages in are primarily people-driven. Our Vision is to raise our own benchmarks with every successive endeavour and it is possible only by making every employee a fully engaged and aligned team member. Your Company continues to remain focused on reinforcing the key thrust areas i.e. being the employer of choice, building an inclusive culture, building a strong talent pipeline, building capabilities in the organization and continuing to focus on progressive employee relations policies. Accordingly, our HR policies are centered around the creation of an environment that attracts, nurtures and rewards high-caliber talent. Young engineers gain the opportunity to operate on the frontlines of technology and associate with projects of scale and complexity. We drive sustainable growth

Your Company is developing future leaders and having the best people practices. A structured leadership development initiative has helped to build a robust talent pipeline at all levels. Our HR organisation is well-g geared towards attraction and retention of engineering talent in an ecosystem that provides long-cycle professional development opportunities in various facets of civil urban infrastructure and caters to career building aspirations of talent at all levels.

INTERNAL CONTROL SYSTEM:

The Corporate Governance Policy guides the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its three-tiered governance structure and key functionaries involved in governance. The Code of Conduct commits management to financial and accounting policies, systems and processes. The Corporate Governance Policy and the Code of Conduct stand widely communicated across the Company at all times, and, together with the 'Strategy of Organisation', Planning & Review Processes and the Risk Management Framework provide the foundation for Internal Financial Controls with reference to your Company's Financial Statements. Such Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Audit Committee and the Board. These Policies are supported by the Corporate Accounting and Systems Policies that apply to the entity as a whole to implement the tenets of Corporate Governance and the Significant Accounting Policies uniformly across the Company. The Accounting Policies are reviewed and updated from time to time. These, in turn are supported by a set of divisional policies and SOPs that have been established for individual businesses. Your Company uses ERP System as a business enabler and also to maintain its Books of Account. The SOPs in tandem with transactional controls built into the ERP Systems ensure appropriate segregation of duties, tiered approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, SOPs and controls are reviewed by divisional management and audited by Internal Audit whose findings and recommendations are reviewed by the Audit Committee and tracked through to implementation. Your Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an on-going basis. Your Company has also put in place comprehensive systems and procedural guidelines concerning other areas of business, too, like budgeting, execution, material management, quality, safety, procurement, asset management, human resources etc., which are adequate and necessary considering the size and level of operations of the Company. The management has been making constant efforts to review and upgrade existing systems and processes to gear up and meet the changing needs of the business.

Report on Corporate Governance

[In terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. COMPANY’S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

At **NILASPACE** we believe in adopting and adhering to the best standards of Corporate Governance to all the stakeholders. The Company’s Corporate Governance is therefore based on the total transparency, integrity, fairness, equity, accountability and commitments to the values. The Company is committed to the best governance practices that create long term sustainable shareholder value. With the object of the Company to conduct its business in a highly professional manner and thereby enhance trust and confidence of all its stakeholders, the Company has devised a complete compliance of Corporate Governance norms.

We at **NILASPACE** firmly believe that firm Corporate Governance leads to the optimal utilization of resources and enhance the value of the enterprise and an ethical behavior of the enterprise leads to honoring and protecting the rights of all the stakeholders. Sound Corporate Governance practices and ethical business conduct always remain at the core of the **NILASPACE**’s value system.

2. BOARD OF DIRECTORS

2.1 Composition and category of the Board:

The Company has an optimum combination of Executive and Non-Executive Directors. At the end of the year the Board consists of seven directors comprising of four non-executive independent directors including two-woman directors, two executive directors and one non-executive non-independent director. The appointment of four non- executive independent directors is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is one promoter group executive director. Out of the four independent directors there are two-woman directors. There is no nominee director on the board. The Chairman of the Board is Executive Director.

2.2 Information in the form of table setting out the skills/ expertise/ competence of the Board of Directors:

The Company operates in the business of construction and development of projects for sale. The Board has identified on the basis of recommendation of Nomination and Remuneration Committee, various skills and expertise like land acquisition and development, construction, project management and execution, business strategy and management, engineering, communication and media, strategic management, business planning and marketing, corporate affairs, financial management, corporate governance, banking, M&A, capital market, fund raising and wealth management, communication, PR, media, and brand building.

The information of skills and expertise available is as under.

Name of the Director	Expertise in specific functional area identified by the Board and available
Mr. Deep S Vadodaria	Land Acquisition and Development, Construction, engineering, Project Management and Execution, Business Planning and Marketing, Strategic Management, Communication and Media.
Mr. Prashant H Sarkhedhi	Corporate Affairs, Financial Management, Corporate Governance, Banking, M&A, Capital Market, Fund Raising and Wealth Management
Mr. Anand B Patel	Construction, engineering, Project Management and Execution, Business Planning
Ms. Rajal B Mehta	Marketing, Communication, PR, Media, and Brand Building.
Mr. Shrinjay S Joshi	Financial Management, Banking, Fund Raising and Wealth Management
Mr. Amit Chokshi	Financial Management, Accounts & Audit, General Management, Corporate Affairs
Ms. Kruti Shah	Branding, Public Relations, Corporate Communications, Planning and Event Management

2.3 Directorships, Membership on Committees and Meetings Attended:

The Name and Category of the Directors on the Board, their Attendance at Board Meetings held during the year and at the last Annual General Meeting; and the Number of Directorships, Committee Chairmanships or Memberships and Name of the Listed Entities and category of Directorship held by them in other Companies are given below.

SN	Name of Director(s)	Category	Attendance Particulars		#Number of Directorship(s) held In other Companies including this listed entity	##Committee Memberships/ Chairmanships of Other Companies		Name of the Other Listed Entities and category of Directorship
			Board Meeting	Last AGM		Member	Chairman	
1	&**Jasvinder S Rana	Non-Executive Chairman and Independent Director	1	No	1	-	-	-
2	*Deep S Vadodaria	Executive Director	6	Yes	7	-	-	Non-Executive Director at Nila Infrastructures Limited
3	** Prashant H Sarkhedi	Executive Director	6	Yes	5	-	-	-
4	** Anand B Patel	Non-Executive Director	6	Yes	2	-	-	-
5	** Rajal B Mehta	Non-Executive Independent Director	6	Yes	2	-	-	-
6	** Shrinjay S Joshi	Non-Executive Independent Director	6	Yes	1	-	-	-
7	\$ Mr. Amit Chokshi	Non-Executive Independent Director	2	Yes	1	-	-	-
8	\$ Ms. Kruti Shah	Non-Executive Independent Director	1	Yes	1	-	-	-

*Promoter Director; ** Non-Promoter Director. # Excludes directorship in Nila Spaces Limited

Committees considered are Audit Committee and Stakeholders' Relationship Committee only. Committee Membership(s) & Chairmanships are counted separately.

& Mr. Jasvinder S. Rana ceased to be Director w.e.f 24 July 2023 due to sad demise. Subsequent to death of Mr. Jasvinder S. Rana, Mr. Deep Vadodaria was appointed as the Chairman.

\$ Mr. Amit Chokshi was appointed w.e.f. 21 August 2023 and Ms. Kruti Shah was appointed w.e.f 26 August 2023

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the public companies in which they are director. The necessary disclosures regarding Committee positions have been made by all the Directors.

2.4 Independent Directors confirmation by the Board:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.5 Number of Independent Directorships:

As per Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the whole time director of the Company does not serve as an Independent Director in any listed entity.

2.6 Details of Number of Meetings of the Board of Directors held and dates on which held:

During the year total Six (6) meetings of the Board of Directors were held. The dates of the meetings are as under.

Date of Board Meeting	Board Strength	No of Directors Present
13 May 2023	6	6
07 August 2023	5	5
21 August 2023	5	5
26 August 2023	6	5
02 November 2023	7	6
07 February 2024	7	7

Because of sudden demise of Mr. Jasvinder S. Rana on 24 July 2023, the Board strength reduced to 5 which was restored by appointment of a Director within statutory time limit as per SEBI Listing Regulations.

2.7 Disclosures of relationship between Directors inter-se:

None of the Directors of the Company are related with each other in any manner.

2.8 Number of shares and convertible instruments held by Non-Executive Directors:

Non- Executive Directors does not hold any share or any convertible instrument of the Company.

2.9 Performance Evaluation & Familiarization programs imparted to Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, after considering various criteria, the performance evaluation of the Board Members was carried out. Various aspects like attendance and participation at meetings, suggestions, inputs at discussions, adherence to various codes and policies, role in overall growth etc. were taken into consideration while evaluating the Board. The detailed performance evaluation framework is displayed at the website of the Company at www.nilaspaces.com. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

The Company believes that a Board, which is well informed / familiarized with the Company, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations.

In pursuit of this, the Directors have been familiarized on a continuing basis on changes / developments corporate and industry scenario including those pertaining to statutes / legislations and economic environment, by way of presentations, board review notes, regular updates of projects and business operations, meetings etc. to enable them to take well informed and timely decisions.

The details of familiarization programs are available at the website of the Company at www.nilaspaces.com under investor segment.

2.10 Board Diversity and Policy on Director's Appointment and Remuneration:

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. Accordingly, the Board has adopted a policy on 'Board Diversity', which sets out the criteria for determining qualifications, positive attributes and independence of a Director. The detailed policy is available on the Company's website www.nilaspaces.com.

2.11 Code of Conduct for the Board of Directors and Senior Management Personnel:

In Compliance with Part-D under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; the Board has adopted a code of conduct for the Board of Directors and senior management personnel of the Company. This code of conduct is comprehensive code which is applicable to all Directors and senior management personnel. A copy of the same has been put on the Company's website www.nilaspaces.com. The same code has been circulated to all the members of the Board and all senior management personnel. The compliance of the said code has been affirmed by them annually. A declaration signed by the Managing Director of the Company forms part of this Report.

Declaration of Compliance of Code of Conduct:

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and the Senior Management Personnel and the same is available on the Company's website. I confirm that the Company has in respect of the financial year ended on 31 March 2024 received from the Senior Management Personnel of the Company and the members of the Board a declaration of compliance with Code of Conduct applicable to them.

Place: Ahmedabad
Date: 09 May 2024

Deep S. Vadodaria
Chairman & Whole Time Director
DIN: 01284293

2.12 Board Procedure:

Pursuant to the SEBI Laws, Stock Exchanges are being informed about the convening of the Board Meetings at least 5 clear days in advance. The agenda is prepared by the Secretarial Department in consultation with the Chief Finance Officer and Chairman of the Board. The information as required under the SEBI Regulations is made available to the Board. The agenda for the meeting of the Board and its Committees together with the appropriate supporting documents and papers are circulated well in advance of the meeting to enable the Board to take informed decisions. The Stock Exchanges are informed about the outcome of the Board Meeting as soon as the meeting concludes.

The meetings of the Board and its various Committees are generally held at the Registered Office of the Company at Ahmedabad

2.13 Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 07 February 2024 to review the performance of Non- Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties

3. AUDIT COMMITTEE

3.1 Composition of the Audit Committee:

The audit committee of the Company is comprised of three directors of which two are non-executive independent directors. The chairman of the audit committee is an independent director. The constitution of the audit committee is in line with the requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Amit Chokshi is the Chairman of the Committee. He possesses adequate financial accounting knowledge. Mr. Prashant H Sarkhedi, Mr. Shrinjay S. Joshi and Ms. Rajal B Mehta are the other members of the audit committee. During the year Mr. Jasvinder S. Rana ceased to be member of the audit committee due to sad demise and Mr. Amit Chokshi was appointed as the member and chairman of the audit committee during the year.

3.2 Brief Description of the terms of reference of the Audit Committee:

The terms of reference and role of the audit committee as decided by the Board of Directors are in accordance with the provisions of Section 177 of the Companies Act, 2013 and SEBI Regulations as under:

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013 Changes, if any, in accounting policies and practices and reasons for the same
 - ii. Major accounting entries involving estimates based on the exercise of judgment by management
 - iii. Significant adjustments made in the financial statements arising out of audit findings
 - iv. Compliance with listing and other legal requirements relating to financial statements
 - v. Disclosure of any related party transactions
 - vi. Qualifications in the draft audit report
- e. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate to the Board to take up steps in this matter;
- g. Review and monitor the auditor's independence and performance, and effectiveness of the audit process;
- h. Approval or any subsequent modification of transactions of the company with related parties;
- i. Scrutiny of inter-corporate loans and investments;

- j. Valuation of undertakings or assets of the company, wherever it is necessary;
- k. Evaluation of internal financial controls and risk management systems;
- l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. Discussion with internal auditors of any significant findings and follow up there on;
- o. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r. To review the functioning of the Whistle Blower Mechanism (Vigil Mechanism);
- s. Approval of appointment of CFO (i.e., the whole- time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- t. To review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 atleast once in a financial year and verify the Internal Controls are adequate and operative effective.
- u. To review mechanism, code of conduct and policy framework under SEBI (Prohibition of Insider Trading) Regulations, 2015 and recommend changes.
- v. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- w. A statement of all transactions with related parties, including their basis shall be placed before the Audit Committee for formal approval / ratification with explanations where there are interested transactions.
- x. Details of material individual transactions with related parties which are not in the normal course of business shall be placed before the audit committee.
- y. The audit committee shall mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters/ letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal weaknesses; and
 - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - Statement of deviation:

- Quarterly statement of deviation (s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1).
- Annual statement of funds utilized for purposes other than those stated in the offer document/ notice in terms if Regulation 32(7).

3.3 Meetings of the Audit Committee and Attendance:

Four (4) Audit Committee meetings were held during the year on 13 May 2023, 07 August 2023, 02 November 2023 and 07 February 2024. The time gap between Audit Committee meetings was not more than 120 days.

The details of the attendance of the Members at the Meetings of Audit Committee are as under:

Name of Committee Members	Category	Designation	No. of Meetings during the year	
			Held	Attended
Mr. Amit R. Chokshi	Non Executive Independent Director	Chairman	4	2
Mr. Prashant H Sarkhedi	Executive Director	Member	4	4
Ms. Rajal B Mehta	Non Executive Independent Director	Member	4	4
Mr. Shrinjay S Joshi	Non Executive Independent Director	Member	4	4

Mr. Jasvinder S. Rana ceased to be Chairman & Member of the audit committee during the year and had attended a meeting of the committee held on 13 May 2023 only.

The Statutory Auditors and Internal Auditors of the company are invited in the meeting of the Committee wherever required. The Chief Financial Officer of the Company is a regular invitee at the Meeting.

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

Recommendations of Audit Committee have been accepted by the Board of Directors wherever/whenever given.

As prescribed under the Companies Act 2013 and SEBI Regulations, the Chairman of the audit committee was present at the 23rd Annual General Meeting of the Company held on 27 September 2023.

4. NOMINATION AND REMUNERATION COMMITTEE:

4.1 Composition of the Committee:

The Nomination and Remuneration Committee of the Company comprises of four members and all are Non-Executive Directors. Ms. Rajal B Mehta is the Chairman and Mr. Shrinjay S Joshi and Mr. Anand B. Patel are the other two members of the committee. The committee has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure \ Requirements) Regulations, 2015.

4.2 Brief Description of terms of reference of the Committee:

The broad terms of reference of the Nomination and Remuneration Committee, as approved by the Board, are in accordance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which are as follows:

- To recommend the Board in determining the appropriate size, diversity and composition of the Board;
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, and shall carry out evaluation of every director's performance.

- c. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- d. Formulate criteria for performance evaluation of Independent Directors and the Board;
- e. Devising a policy on Board diversity;

4.3 Details of Meetings of the Nomination and Remuneration Committee and Attendance:

Three (3) Nomination and Remuneration Committee meetings were held during the year on 13 May 2023, 21 August 2023 and, 26 August 2023. The requisite quorum was present at the meeting. The Chairman of the Nomination & remuneration Committee was present at the 23rd Annual General Meeting of the Company.

The table below provides the information of the Nomination & Remuneration Committee members:

Name of Committee Members	Category	Designation	No. of Meetings during the year	
			Held	Attended
Ms. Rajal B Mehta	Non-Executive Independent Director	Chairperson	3	3
Mr. Shrinjay S Joshi	Non-Executive Independent Director	Member	3	3
Mr. Anand B. Patel	Non Executive Director	Member	3	2

During the year the composition of the Nomination & Remuneration Committee changed. Mr. Prashant H. Sarkhedi upon his appointment as Executive Director and Mr. Jasvinder S. Rana upon his sad demise ceased to be members of the committee. Mr. Anand B. Patel upon his appointment as Non-Executive Director was appointed as the member of the Committee. Mr. Prashant H. Sarkhedi and Mr. Jasvinder S. Rana has attended a meeting of the Committee held on 13 May 2024 only.

4.4 Performance evaluation criteria for independent directors:

The Independent Directors are being evaluated by the members of the Board of Directors other than Independent Directors on the basis of pre-defined evaluation criteria as under:

- a) Attendance and contribution at the Board and Committee meetings;
- b) Educational qualification, experience of relevant field, expertise of subjects;
- c) Leadership qualities, skills, behavior, understanding of business, knowledge of subjects and processes;
- d) Ability to participate at debates, discussions and quality of suggestions, guidance, advise;
- e) Traits like integrity, honesty, secrecy maintenance, etc.

5. REMUNERATION OF DIRECTORS

5.1. Criteria for making payment to non-executive directors:

Various criteria of making payments to non-executive directors are displayed on the website of the Company at www.nilaspaces.com under investor segment.

5.2 Details of Remuneration paid during the year:

Disclosures with respect to remuneration and sitting fees paid to the Directors during the year is provided in the Notes to the Accounts in Note Number 28.

5.3 Pecuniary Relationship or transactions with Non- Executive Directors:

During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from payment of sitting fees for attending meetings. Details of transactions with non-executive directors are disclosed in Notes to the Accounts.

5.4 Remuneration Policy:

5.4.1 The Salient Features of the Nomination and Remuneration Policy of the Company constituted in terms of the provisions of the Companies Act, 2013 and as per the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 as amended from time to time is as under:

The Full Nomination and Remuneration policy is available at the website of the Company i.e. **www.nilaspaces.com**. The Nomination and Remuneration Policy of the Company Policy is divided in three parts:

Part – A covers the matters to be dealt with and recommended by the Committee to the Board;

Part – B covers the appointment and nomination

And

Part – C covers remuneration and perquisites etc.

PART – A: Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- (a) Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- (b) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial Personnel and Senior Management positions in accordance with the criteria laid down in this policy.
- (c) Recommend to the Board, appointment and removal of Director, KMP and Senior Management.

PART – B: Policy for appointment and removal of Director, KMP and Senior Management

(a) Appointment criteria and Qualifications:

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his /her appointment.
- (b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- (c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director or Manager who has attained the age of seventy years.
- (d) Provided that where any person has attend the age of seventy years and where his appointment or reappointment is approved by passing a special resolution in the General Meeting based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. In any other case the same shall be approved by Central Government.

(b) Term or Tenure:

1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole -time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- i. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.
- ii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years from cessation of Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1 October 2014 or such other date as may be determined by the Committee as per regulatory requirement, he/she shall be eligible for appointment for one more term of 5 years only.
- iii. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and in case he is serving as a Whole-time Director of a listed company then he shall serve as Independent Director in three listed companies.

(c) Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

(d) Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

(e) Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART – C: Policy relating to the remuneration for the Whole-Time Director, KMP and Senior Management

(a) General:

- i. The committee will determine and recommend to Board the remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel for approval. The remuneration/compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- ii. The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the limits or conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under as amended from time to time.

- iii. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director or Whole-time Director. Increments will be effective from the date mentioned in the respective resolutions in case of a Managing Director and Whole-time Director and 1st April in respect of other employees of the Company or such other date as may be determined from time to time.
- iv. Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(b) Remuneration to Whole-time Director, Managing Director/ Manager, KMP and Senior Management:

i. Fixed pay:

The Managing Director/Manager, Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to provident fund, superannuation or annuity fund, gratuity, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

ii. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director and Whole-time Director in accordance with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii. Provisions for excess remuneration:

If any Managing Director and Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

iv. Stock Options:

In case, Managing Director, Whole-time Director, Company Secretary and Chief Financial Officer, are not being Promoter Director or Independent Director they shall be entitled to any stock option of the Company as qualified by the normal employees of the Company. Provided the same shall be subject to the Companies Act, 2013 and rules made there under read with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and any amendment or modification thereof.

Senior Management Personnel shall be eligible for stock options as normal employees of the Company.

(c) Remuneration to Non-Executive/ Independent Director:

i. Remuneration / Commission:

The remuneration / commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.

ii. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. The sitting fees shall be decided by the Board of Directors of the Company at its meeting where quorum consists of disinterested directors. In case all the directors are interested, the same shall be decided by the Resolution passed by the Members of the Company.

Provided that the amount of such fees shall not exceed Rupees One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

iii. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

iv Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders' Relationship Committee to look into the mechanism of redressal of grievances of shareholders and investors of the Company. The Stakeholders' Relationship Committee has Four members comprising of three non-executive directors, one executive director.

6.1 Name of the non-executive director heading the committee: Mr. Amit R. Chokshi

6.2 Name and designation of Compliance Officer: Ms. Gopi Dave, Company Secretary

6.3 Number of shareholders' complaints received so far: NIL

6.4 Number not solved to the satisfaction of shareholders: NIL

6.5 Number of pending Complaints: NIL

6.6 Meetings held during the year:

One (1) Stakeholder Relationship Committee meeting was held during the year on 07 February 2024. The Chairman of the Stakeholder Relationship Committee was present at the 23rd Annual General Meeting held on 27 September 2023.

The detail of the attendance of the Members at the meeting of Stakeholder Relationship Committee is as under:

Name of Committee Members	Category	Designation	No. of Meetings during the year	
			Held	Attended
Mr. Amit R. Chokshi	Non-Executive Independent Director	Chairman	1	1
Mr. Prashant H Sarkhedi	Executive Director	Member	1	1
Ms. Rajal B Mehta	Non-Executive Independent Director	Member	1	1
Mr. Shrinjay S Joshi	Non-Executive Independent Director	Member	1	1

During the year Mr. Jasvinder S. Rana ceased to be a member of the committee upon sad demise.

7. DETAILS OF WHISTLE BLOWER POLICY (VIGIL MECHANISM)

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or policy or any misconduct. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The whistle Blower Policy is available at the website of the Company at www.nilaspaces.com. No complaint was received during the year under the vigil mechanism.

8. MEANS OF COMMUNICATIONS

8.1 Quarterly Results: Company submits financial results on quarterly basis to the Stock Exchanges as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015. The copies of quarterly results submitted to the Stock Exchanges are also available on the website of the Company at www.nilaspaces.com under investor segment.

8.2 Normally quarterly results of the Company are published in Business Standard (English) and Loksatta Jansatta (Gujarati).

8.3 Website of the Company: The Company's website www.nilaspaces.com contains a separate dedicated section namely "Investors" where shareholders information is available. The Annual Report of the Company is also available on the website of the Company at <https://www.nilaspaces.com/investors.html> in a downloadable form.

8.4 Whether it also displays official news release and presentation made to institutional investors or to the analyst: Copies of press release and presentation are submitted to stock exchange prior to presentation and release made to institutional investor or to the analysts.

8.5 Any presentation(s) made to the institutional investors or to the analysts: Any presentation made to the institutional or/and analyst are also posted on the Company's website at www.nilaspaces.com.

9. GENERAL BODY MEETINGS

9.1 Location and time, where last three Annual General Meetings held:

Financial Year	Venue	Date	Time
2020-21	Through Video Conferencing / Other Audit Video Means	24 September 2021	04:00 P.M
2021-22	Through Video Conferencing / Other Audit Video Means	31 August 2022	04:00 P.M
2022-23	Through Video Conferencing / Other Audit Video Means	27 September 2023	04:00 P.M

9.2 Special Resolution passed at last 3 Annual General Meetings:

Financial Year	Special Resolution passed
2020-21	No special resolution was passed
2021-22	No special resolution was passed
2022-23	<ol style="list-style-type: none"> 1. To change terms of appointment of Mr. Deep S. Vadodaria 2. To change terms of appointment of Mr. Prashant H. Sarkhedi 3. To appoint Mr. Amit R. Chokshi as Non-Executive Independent Director 4. To appoint Ms. Kruti M. Shah as Non-Executive Independent Director

9.3 Whether any special resolution is proposed to be conducted through Postal Ballot – Details of Voting Pattern:

- a. During the year, following **Special Resolutions** were passed by the Company through Postal Ballot:

Particular of Resolution	Votes in Favor	Votes Against
Appointment of Mr. Deep S. Vadodaria as Whole Time Director	97.57%	2.43%
Appointment of Mr. Prashant H. Sarkhedi as Whole Time Director	99.98%	0.02%
Change in terms of appointment of Mr. Anand B. Patel	99.98%	0.02%
Reappointment of Ms. Rajal B. Mehta as Non-Executive Independent Director	99.98%	0.02%

- b. The Company had appointed Mr. Umesh Ved of Umesh Ved & Associates (FCS 4411, COP 2492) Practicing Company Secretary, to act as the Scrutinizer, for conducting the Postal Ballot process for the resolutions mentioned above, in a fair and transparent manner.

- c. Procedure for Postal ballot:

Pursuant to the provisions of Section 110 of the Act read with Rule 22 of Companies (Management and Administration) Rules, 2014 (Management Rules), as amended, the Company had issued Postal Ballot Notice dated 13 May 2023 to the Members, seeking their consent with respect to the above referred businesses. In compliance with provisions of Section 108 and Section 110 and other applicable provisions, with the Management Rules, the Company had provided remote e-voting facility to all the Members of the Company. The Company engaged the services of National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically.

9.4 Details of special resolution proposed through Postal Ballot: None of the Businesses proposed to be transacted at the ensuing 24th Annual General Meeting requires passing of a special resolution through postal ballot.

10. GENERAL SHAREHOLDER INFORMATION

10.1 Day, Date, Time and Venue of the 24th Annual General Meeting:

Day and Date: Monday 16 September 2024

Time: 11:30 A.M.

Venue: Through Video Conferencing

10.2 Financial Year: 01 April to 31 March

10.3 Financial Calendar: Tentative and subject to change for the financial year 2024-2025

Quarter Ending	Release of Results
30 June 2024	Mid of August 2024
30 September 2024	Mid of November 2024
31 December 2024	Mid of February 2025
31 March 2025	Last week of May 2025

10.4 Date of Book Closure: 10 September 2024 to 16 September 2024 (both days inclusive)

10.5 Dividend Payment Date: Not Applicable

10.6 Dividend Payment History: Not Applicable

10.7 Unpaid and Unclaimed Dividend: Not Applicable

10.8 Listing at Stock Exchanges:

Name and Address of the Stock Exchanges	Stock Code / Scrip Symbol	ISIN Number for NSDL/ CDSL (Dematerialized shares)
BSE Limited 25 Floor, Phirozee Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	542231	INE00S901012
National Stock Exchange of India Limited Plot No. C/1, G Block, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051	NILASPACES	

10.9 Confirmation of payment of Listing Fees: The annual listing fees for the year 2023-24 and advance listing fees for the year 2024-25, to the stock exchanges where the securities of the Company are listed, has been paid in prescribed time limit.

10.10 Market Price Data:

The monthly high / low and the volume of the Company's shares trades at BSE Limited and the monthly high / low of the said exchange are as under:

Month	Nila Spaces Limited			BSE Limited	
	High (₹)	Low(₹)	Volume	High (₹)	Low (₹)
April 2023	3.45	2.51	17,98,610	61,209.46	58,793.08
May 2023	2.99	2.40	21,09,465	63,036.12	61,002.17
June 2023	4.11	2.41	64,94,044	64,768.58	62,359.14
July 2023	4.95	3.23	66,35,809	67,619.17	64,836.16
August 2023	3.45	2.96	41,63,822	66,658.12	64,723.63
September 2023	3.88	3.10	9,37,032	67,927.23	64,818.37
October 2023	3.52	2.89	11,13,667	66,592.16	63,092.98
November 2023	3.64	3.05	26,11,073	67,069.89	63,550.46
December 2023	5.77	3.15	1,13,50,775	72,484.34	67,149.07
January 2024	5.29	4.55	32,79,337	73,427.59	70,001.60
February 2024	5.80	4.65	97,94,915	73,413.93	70,809.84
March 2024	5.85	4.64	35,31,628	74,245.17	71,674.42

The monthly high / low and the volume of the Company's shares trades at National Stock Exchange of India Limited and the monthly high/low of the said exchange are as under:

Month	Nila Spaces Limited			BSE Limited	
	High (₹)	Low(₹)	Volume	High (₹)	Low (₹)
April 2023	3.10	2.45	28,28,000	18089.15	17312.75
May 2023	3.00	2.45	39,06,000	18662.45	18042.40
June 2023	4.10	2.60	1,85,33,000	19201.70	18464.55
July 2023	4.90	3.20	3,09,83,000	19991.85	19234.40
August 2023	3.50	3.00	44,91,000	19795.60	19223.65
September 2023	3.90	3.10	39,53,000	20222.45	19255.70
October 2023	3.50	2.80	26,66,000	19849.75	18837.85
November 2023	3.65	3.00	82,33,000	20158.70	18973.70
December 2023	5.75	3.35	4,37,99,000	21801.45	20183.70
January 2024	5.25	4.55	1,03,78,000	22124.15	21137.20
February 2024	5.75	4.60	1,62,15,000	22297.50	21530.20
March 2024	5.75	4.60	57,00,000	22526.60	21710.20

10.11 In case the securities are suspended from trading; the Directors' Report shall explain the reason thereof:
Not Applicable

10.12 Registrar to an issue and Share Transfer Agent:

M/s MCS Share Transfer Agent Limited

201, Second Floor, Shatdal Complex, Opp. Bata Show Room; Ashram Road, Ahmedabad – 380 009
Email: mcsstaahmd@gmail.com | Website: www.mcsregistrars.com
Tel No. +91 79 2658 0461 / 62 / 63, Fax No. +91 79 2658 1296

10.13 Share Transfer System: The powers of transfer and transmission of shares of the company have been delegated to the RTA of the Company M/s MCS Share Transfer Agent Limited, Ahmedabad. The RTA within time limit prescribed under the law approves and registers the transfer lodged by the investors. In terms of SEBI PR No. 12/2019, the shares of the Company are transferable only in dematerialized form.

10.14 Distribution of shareholding as on 31 March 2024:

Shareholding of nominal value of	Number of Holder		Number of Shares	
	Nos	% of total	Nos	% of total
1 - 500	47020	68.57	6241354	1.58
501 - 1000	9653	14.08	8798071	2.23
1001 - 2000	4617	6.73	7680547	1.95
2001 - 3000	1864	2.72	4998515	1.27
3001 - 4000	812	1.18	3001544	0.76
4001 - 5000	1379	2.01	6763652	1.72
5001 - 10000	1671	2.44	13629216	3.46
10001 - 50000	1273	1.86	27798691	7.05
50001 - 100000	142	0.21	10944252	2.77
100001 and Above	139	0.20	304033358	77.19
Total	68570	100.00	393889200	100.00

10.15 Shareholding Pattern as on 31 March 2024:

Category	No. of shares held	% of total share capital
Promoters' Holding	243825187	61.90
Public holding		
Institutions and Bodies Corporate	13346141	3.39
Individuals	116417165	29.56
HUF	8020508	2.04
Non Resident Indians	8309099	2.11
IEPF	3968100	1.01
Total	393889200	100.00

10.16 Lock in Shares:

There are no shares under lock-in as on 31 March 2024.

10.17 Share Capital Evolution:

Date of Issue/ Allotment	No. of shares Allotted	Issue Price per share (₹)	Distinctive Numbers	Type of Issue	Cumulative capital (No of shares)
03 May 2000	70	10	1-70	Subscribers to the Memorandum and Articles of Association	70
05 December 2002	49930	10	71 – 49930	Right Issue of Share	50000
31 March 2008	14500	10	49931 - 64500	Right Issue of Share	64500
28 March 2014	14500	10	64501 - 79000	Right Issue of Share	79000
29 June 2018	(79000)	N.A.	1 - 79000	Cancellation of shares pursuant to Scheme of Demerger	(79000)
29 June 2018	393889200	1	1 - 393889200	Scheme of Demerger	393889200

10.18 Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of listing regulations:

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Board composition	17 (1), (1A) & (1B)	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board Meeting	17 (2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Quorum of Nomination & Remuneration Committee Meeting	19 (2A)	Yes
Meeting of Nomination & Remuneration Committee	19(3A)	Yes
Composition of Stakeholder Relationship Committee	20(1), (2) & (2A)	Yes
Meeting of Stakeholders Relationship Committee	20(3A)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	NA
Meeting of Risk Management Committee	21(3A)	NA
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1), (1A), (5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2) & (3)	Yes
Approval for material related party transactions	23(4)	Yes
Disclosure of Related Party Transactions on Consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Annual Secretarial Compliance Report	24(A)	Yes
Alternate Director to Independent Director	25(1)	Yes
Maximum Tenure	25(2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Declaration from Independent Directors	25(8) & (9)	Yes
D & O Insurance for Independent Directors	25(10)	NA
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Corporate Governance	27(1)&(2)	Yes
Details of business	46 (2) (a)	Yes
Terms and conditions of appointment of independent directors	46 (2) (b)	Yes
Composition of various committees of board of directors	46 (2) (c)	Yes
Code of conduct of board of directors and senior management personnel	46 (2) (d)	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	46 (2) (e)	Yes
Criteria of making payments to non-executive directors	46 (2) (f)	Yes
Policy on dealing with related party transactions	46 (2) (g)	Yes
Policy for determining 'material' subsidiaries	46 (2) (h)	Yes
Details of familiarization programmes imparted to independent directors	46 (2) (i)	Yes
email address for grievance redressal and other relevant details	46 (2) (j)	Yes
Contact information of the designated officials of the listed entity who are		
responsible for assisting and handling investor grievances	46 (2) (k)	Yes
Financial results	46 (2) (l)	Yes
Shareholding pattern	46 (2) (m)	Yes
Details of agreements entered into with the media companies and/ or their associates	46 (2) (n)	NA
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analyst or institutional investors simultaneously with submission to stock exchange	46 (2) (o)	Yes
New name and the old name of the listed entity	46 (2) (p)	Yes

10.19 Dematerialization of Shares and liquidity:

Trading in the Company's shares is permitted only in dematerialization form for all investors. The Company has established connectivity with CDSL and NSDL through the Registrar, M/s MCS Share Transfer Agent Limited, Ahmedabad, whereby the investors have the option to dematerialize their shares with either of the depositories. As on 31 March 2024, 98.32% of the paid-up share capita has been dematerialized.

10.20 Outstanding GDR/ADR/Warrants or any convertible instrument, conversion date and likely impact on equity:

At the end of the year there is no such instrument pending for conversion.

10.21 Commodity price risk or foreign exchange risk and hedging activities:

The business of the Company is exposed to fluctuations in commodity prices, which is, by and large, managed by booking the requisite estimated quantity/quality by back-to-back booking with the manufacturers and /or suppliers, while there is no exposure of the Company involving any foreign exchange risk and therefore there are no hedging activities undertaken.

10.22 Plant locations:

The Company is in the business of real estate and construction activities and therefore do not have any plant or production units. However, the information regarding various housing projects of the Company is available on the Company's website at www.nilaspaces.com.

10.23 Credit Rating: Not Applicable

10.24 Address for Correspondence: All shareholder's related enquires; clarifications and correspondence should be addressed at the following address:

The Compliance Officer
Nila Spaces Limited 1st Floor, "Sambhaav House", Opp: Chief Justice's Bungalow, Bodakdev, Ahmedabad-380015
Email: secretarial@nilaspaces.com, Fax: +91 79 2687 3922; Phone: +91 79 4003 6817/18

11. OTHER DISCLOSURES

11.1 Materially Significant Related Party Transaction:

The transaction(s) entered into between the Company and its related parties are disclosed in the Notes forming part of accounts and are in compliance with the Accounting Standards relating to "Related Party Disclosures". There is no materially significant Related Party Transaction Wherein Directors and Key Managerial Personnel are interested and that may have potential conflict with the interest of the Company. All material transactions with subsidiaries, associates and joint ventures are in compliance with applicable law.

11.2 Statutory Compliances, Penalties and Strictures:

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

11.3 Details of non-compliance with mandatory requirements and adoption of the non-mandatory requirements:

There is no non-compliance of any mandatory requirements and adoption of the non-mandatory requirements by the Company.

11.4 Web link where policy for determining 'Material Subsidiaries' is disclosed:

The Company does not have any material subsidiary within the meaning of SEBI laws. The Company's policy on determining material subsidiary is placed on the Company's website at www.nilaspaces.com under investor segment.

11.5 Web link where policy on dealing with related party transactions:

The Company's policy on dealing with related party transactions is placed on the Company's website at www.nilaspaces.com under investor segment.

11.6 Certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified:

A Certificate from a Company Secretary in practice has been received that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The certificate is reproduced herein under.

11.7 Total Fees for all services paid by the listed entity and its subsidiaries etc. whose accounts have been consolidated; on a consolidated basis to the statutory auditors for the financial year 2023-24:

SN	Particulars	Consolidated Amount (₹)
1	Audit and Other Fees for Certification etc.	3,15,000

11.8 Disclosures of transactions with related parties in terms of Schedule V read with Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended:

The disclosures are given in Note No 30 of the Notes to the Financial Statements.

11.9 Particulars of Senior Management:

There has been no change in the senior management of the Company during the financial year 2023-24 except appointment of Mr. Prashant Sarkhedi as the Chief Financial Officer. The identified senior management personnel of the company are Mr. Prashant Sarkhedi – Chief Financial Officer, Ms. Gopi Dave – Company Secretary, Ms. Mansi Nirmal – Manager Accounts & Finance, Mr. Nisarg Thakkar – Senior Sales Development Representative and Ritesh Parikh – Projects Head.

12. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A): Not Applicable

13. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

- No. of complaints filed during the financial year: Nil
- No. of complaints disposed of during the financial year: Nil
- No. of complaints pending as at end of the financial year: Nil

14. DETAILS OF NON COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED: Not Applicable

15. DISCLOSE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 HAVE BEEN ADOPTED: Not Applicable

16. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR: Not Applicable

17. SECRETARIAL AUDIT REPORT FOR SHARE CAPITAL RECONCILIATION:

As stipulated by SEBI, a Secretarial Audit is carried out by an Independent Practicing Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialized and physical mode and the status of the register of members.

18. SECRETARIAL AUDIT REPORT FOR COMPLIANCES:

Secretarial Audit has been carried out by an Independent Practicing Company Secretary at the end of the financial year to ensure timely compliances of all applicable acts, laws, guidelines, rules and regulations.

19. DISPUTE RESOLUTION MECHANISM AT STOCK EXCHANGES (SMART ODR):

SEBI vide its circular dated May 30, 2022 provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request. In compliance with SEBI guidelines, the Company had put informative guidelines and framework on company's website at www.nilaspaces.com for information and informed decision of all the Members of the Company.

20. DISCLOSURES WITH RESPECT TO DEMATE SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT::

The Company does not have any shares liable to be transferred to Unclaimed Suspense Account.

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Nila Spaces Limited
Floor, Sambhaav House,
Opp. Chief Justice's Bungalow,
Bodakdev, Ahmedabad -380015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nila Spaces Limited having CIN: L45100GJ2000PLC083204 and having registered office at First Floor, Sambhaav House, Opp. Chief Justice's Bungalows, Bodakdev, Ahmedabad -380015 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31 March 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Prashant Himatbhai Sarkhedi	00417386	12/10/2017
2	Mr. Deep Shaileshbhai Vadodaria	01284293	12/10/2017
3	Mr. Anand Bholabhai Patel	07272892	19/06/2018
4	Ms. Rajal Bhanukumar Mehta	08182658	19/07/2018
5	Mr. Shrinjay Shyamal Joshi	08692453	10/02/2020
6	Ms. Kruti Manan Shah	07827540	26/08/2023
7	Mr. Amit Ranchodlal Chokshi	10283515	21/08/2023

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad
Date : 09 May 2024

Umesh Ved
Umesh Ved & Associates
Company Secretaries
FCS No.: 4411
C.P. No.: 2924
Peer Review No. 766/2020
UDIN: F004411F000338910

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Nila Spaces Limited

1. This report contains details of compliance of conditions of Corporate Governance by Nila Spaces Limited (“the Company”) for the year ended on 31 March 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of regulation 46 of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 [“Listing Regulations”] pursuant to the Listing Agreement of the Company with Stock exchanges.

Management’s Responsibility

2. The Compliance with the terms and conditions of Corporate Governance is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor’s Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraph C, D and E of schedule V of the Listing Regulations during the year ended on 31 March 2024.

Other Matters and Restriction on Use

9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Dhirubhai Shah & Co. LLP
Chartered Accountants FRN: 102511W/W100298

Parth S Dadawala
Partner
Membership Number:134475
ICAI UDIN: 24134475BKANIS8195

Place : Ahmedabad
Date : 09 May 2024

CEO and CFO Certification

To,
The Board of Directors
Nila Spaces Limited
Floor, Sambhaav House,
Opp. Chief Justice's Bungalow,
Bodakdev, Ahmedabad -380015

We, Mr. Deep S. Vadodaria, Whole Time Director and Mr. Prashant Sarkhedi, Director & Chief Financial Officer responsible for the finance function of the Company certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended on 31 March 2024 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on 31 March 2024 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and to the Audit committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Deep S. Vadodaria
Whole Time Director
DIN: 01284293

Prashant Sarkhedi
Chief Financial Officer

Place: Ahmedabad
Date: 09 May 2024

Independent Auditors' Report

To the Members of Nila Spaces Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Nila Spaces Limited ("the Company"), which comprises of the standalone balance sheet as at 31 March 2024, the standalone statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements (herein after referred as "financial statement"), including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 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 Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

The key audit matter	How the matter was addressed in our audit
Ind AS 115-Revenue from contract with customers (as described in note no. 3(h) of financial statements)	
<p>Revenue from real-estate contracts is recognised over a period of time in accordance with the requirements of Ind AS 115 using the percentage of completion method. This determination is based on the proportion that contract costs actually incurred, bear to the estimated total contract cost, and requires significant judgements, including estimate of balance costs to complete, identification of contractual obligations, the company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price.</p> <p>Revenue Recognition is significant to the financial statements based on the quantitative materiality. The application of percentage of completion method involves significant judgement as explained above. Accordingly, we regard these as key audit matter.</p>	<p>Our Audit procedures included, among others:</p> <ul style="list-style-type: none"> We read the accounting policy for revenue recognition of the Company and assessed compliance with the requirements of Ind AS 115. We assessed the management evaluation of recognising revenue from real estate contracts over a period of time in accordance with the requirements under Ind AS 115. We tested controls over revenue recognition with specific focus on determination of percentage of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations.

The key audit matter	How the matter was addressed in our audit
Ind AS 115-Revenue from contract with customers (as described in note no. 3(h) of financial statements)	
	<ul style="list-style-type: none"> • We inspected a sample of underlying customer contracts, performed retrospective assessment of costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs-to-complete and consequential determination of stage of completion. • We tested controls and management processes pertaining to recognition of revenue over a period of time in case of real estate projects. • We performed test of details, on a sample basis, and inspected the underlying customer contracts/agreements evidencing the transfer of control of the asset to the customer based on which revenue is recognised over a period of time. • We assessed the disclosures included in financial statements, as specified in Ind AS 115.
Assessing the carrying value of inventory and advances paid towards land procurement	
Ind AS 115-Inventories (as described in note no. 3(k) of financial statements)	
<p>As at 31 March 2024, the carrying value of the inventory of on-going and completed real-estate projects is 4181.82 lakhs.</p> <p>The inventories are held at the lower of the cost and net realisable value (“NRV”).</p> <p>The determination of NRV involves estimates based on prevailing market conditions and taking into account the stage of completion of the inventory, the estimated future selling price, cost to complete projects and selling costs.</p> <p>Advances paid by the Company for acquisition of land are recognised as Inventories.</p> <p>With respect to these advances, the net recoverable value is based on the management’s estimates and internal documentation, which include, among other things, the likelihood when the land acquisition would be completed, the expected date of plan approvals for commencement of project and the estimation of sale prices and construction costs.</p> <p>We identified the assessment of the carrying value of inventory and land advances as a key audit matter due to the significance of the balance to the financial statements as a whole and the involvement of estimates and judgement in the assessment.</p>	<ul style="list-style-type: none"> • We evaluated the design and internal controls related to testing recoverable amounts with carrying amount of inventory and advances, including evaluating management processes for estimating future costs to complete projects. • As regards NRV, compared costs incurred and estimates of future cost to complete the project with costs of similar projects and compared NRV to recent sales or to the estimated selling price. <p>For Advance for land, as a part of audit procedures we,</p> <ul style="list-style-type: none"> • Read the documentation relating to the advance paid and obtained management’s the status of the advance. • Obtained and assessed management’s assumptions relating to the proposed projects, estimated time frame, and forecast sales.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c. The balance sheet, the statement of profit and loss including other comprehensive income, the cash flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact, wherever necessary, of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor and Protection Fund by the Company.
 - 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;

(b) 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 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; and

(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 dividend during the year covered by our audit.
- vi. Based on our examination which included test checks and confirmation from ERP vendor, the company, in respect of financial year commenced on 01 April 2024, has used accounting software for maintaining its books of accounts, which has a feature of recording audit trail(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except the audit trail feature was not available for master data changes as described in note 44 to the financial statements. Further, during the course of our audit, we did not come across any instances of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.
2. As required by the Companies (Auditors' 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 B, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent \ applicable.

For, Dhirubhai Shah & Co LLP
Chartered Accountants
Firm's Registration No. 102511W/W100298

Parth S. Dadawala
Partner
Membership number: 134475
ICAI UDIN: 24134475BKANIQ8975

Place: Ahmedabad
Date: 09 May 2024

Annexure - A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

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

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“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 Companies Act, 2013.

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 and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For, Dhirubhai Shah & Co LLP
Chartered Accountants
Firm's Registration No. 102511W/W100298

Parth S. Dadawala
Partner
Membership number: 134475
ICAI UDIN: 24134475BKANIQ8975

Place: Ahmedabad
Date: 09 May 2024

Annexure - B to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone financial statements for the year ended 31 March 2024, we report that:

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

(B) As the company does not have any intangible assets, reporting under paragraph 3 clause (i) (a) (B) is not applicable.
- b) Property, Plant and Equipment were physically verified during the year by the Management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties (other than immovable properties where the Company is lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment and Investment Properties are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued any of its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at 31 March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The inventories were physically verified by the management during the year at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account. The Company's inventory also includes construction work in progress and entitlement to Land Development Rights, to which the requirements under paragraph 3(ii) of the Order are not applicable.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not obtained any working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Hence, reporting under paragraph 3 (ii) (b) of the order is not applicable.
- (iii) a) The Company has made investment in one company and has granted a loan to one company during the year. Further, the company has not provided any guarantee or security or security or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties during the year.
 - A. The company has not made any further investment in subsidiary, Associate or Joint Venture during the year and hence reporting under paragraph 3(iii)(A) is not applicable.
 - B. According to the information and explanation given to us and the records produced to us for our verification, the company has made investment in one company and granted a loan to one company during the year and same is disclosed in the table below:

(₹ in lakhs)

Particulars	Loans
Aggregate amount granted during the year	
-Subsidiary, Associate & Joint Venture	-
- Related Party	900.00
- Others	-
Balance Outstanding as at Balance sheet date in respect of above cases (Including Interest receivable)	
-Subsidiary, Associate & Joint Venture	-
-Related Party	932.58
-Others	987.42

- b) In our opinion, and according to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that rate of interest and other terms and conditions of the investments made and loans granted during the year are not, prima facie, prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of unsecured loans given, in our opinion the repayment of principal and payment of interest has not been stipulated which is repayable on demand. As informed to us, the Company has not demanded repayment of the loan during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any party during the year.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has given loans, details as below, either repayable on demand or without specifying any terms or period of repayment.

(₹ in lakhs)

Particulars	All Parties	Promoters	Others	Related Parties
Aggregate amount granted during the year				
- Repayable on demand (A)	1920.00	-	987.42	932.58
- Agreement does not specify any terms or period of repayment (B)	-	-	-	-
Total (A+B)	1920.00	-	987.42	932.58
Percentage of loans/ advances in nature of loans to the total loans	100.00%	-	51.00%	49.00%

- (iv)** According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has complied with provisions of Section 185 of the Companies Act, 2013 (“the Act”) with respect of loan provided by the company. According to the information and explanations given to us, the Company is engaged in the business of providing infrastructural facilities and accordingly the provisions of Section 186 (except subsection (1) of Section 186) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has made investment referred in Section 186(1) of the Act and have complied with the provisions of Section 186 of the Act. The Company has not provided any guarantee, security and accordingly compliance under sections 185 and 186 of the Act in respect of providing guarantee, securities is not applicable to the company.
- (v)** In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits (including deemed deposits) from the public within the meaning of provisions of sections 73 to 76 of the Act and the rules framed there under and hence reporting under clause (v) of paragraph 3 of the Order is not applicable. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- (vi)** As informed to us, the company is not required to maintain cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013. Hence, reporting under paragraph (vi) of this order is not applicable.
- (vii)** a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us and basis our audit procedures to check the outstanding statutory dues, in our opinion no undisputed amounts payable in respect of statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, Cess, Goods and Service Tax and other statutory dues applicable to it were in arrears as at the balance sheet date for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and records of the company examined by us, there is no statutory due under disputes for the Income Tax, Goods and Service Tax, Value Added Tax, Excise Duty and Service Tax and other material statutory dues as at 31 March, 2024. Further, as described in note no 34 of financial statement, office of superintendent has assessed stamp duty of ₹ 651.52 lakhs under Gujarat Stamp Act, 1958 with reference to demerger transaction undertaken by the company vide National Company Law Tribunal, Order No. CP(CAA) No. 56/ NCLT/AHM/2018 and CA(CAA) No. 14/NCLT/AHM/2018. As informed to us and based on legal opinion, the company has filed writ petition in Hon. Gujarat High Court against the said assessed duty.
- (viii)** There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)** a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanation given to us, the term loans taken by the company were applied for the purpose for which they were raised.
- d) On an overall examination of the financial statements of the Company, the company has not raised any funds raised on short-term basis; hence reporting under clause (ix) (d) of Paragraph 3 is not applicable.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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

(x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) and hence reporting under clause (x) (b) of the Order is not applicable to the Company.

(xi) a) According to the information and explanations given to us, no fraud by the company or on the company has been noticed or reported during the year.

b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 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.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities and is not required to obtain CoR for such activities from the RBI.

c) In our opinion, the Company is not core investment company (as defined in the regulations made by the RBI) and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable.

d) The Company is not part of any group as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016, as amended. Accordingly, the requirements of Paragraph 3 clause (xvi) (d) are not applicable

(xvii) The Company has not incurred cash loss during the financial year covered under audit. Further, company has incurred cash loss amounting ₹ 547.29 lakhs during the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, paragraph 3 clause (xviii) of the Order is not applicable.



- (xix)** On the basis of the financial ratios disclosed in Note no.39 of the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to further viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx)** The Company was not having net profit of ₹ 5.00 crore or more during the immediately preceding financial year and hence, provisions of section 135 of the Companies Act, 2013 are not applicable to the Company during the year. Accordingly, reporting under paragraph 3 clause (xx) of the Order is not applicable for the year.
- (xxi)** The Reporting under clause (xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For, Dhirubhai Shah & Co LLP
Chartered Accountants
Firm's Registration No. 102511W/W100298

Parth S. Dadawala
Partner
Membership number: 134475
ICAI UDIN: 24134475BKANIQ8975

Place: Ahmedabad
Date: 09 May 2024

Standalone Balance Sheet

as at 31 March 2024

(₹ in lakhs)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	2,521.03	23.68
(b) Investment properties	5	649.98	661.07
(c) Financial assets			
(i) Investments	6	306.10	1,542.72
(ii) Other financial assets	8	1,315.00	205.00
(d) Other non current assets	9	152.27	93.44
(e) Deferred Tax Asset (net)	32D	89.21	188.91
Total non-current assets		5,033.59	2,714.82
Current assets			
(a) Inventories	10	9,277.89	9,875.66
(b) Financial assets			
(i) Trade receivables	11	63.19	4.50
(ii) Cash and cash equivalents	12	1,372.35	1,162.08
(iii) Bank balances other than (ii) above	12	2,116.56	5.00
(iv) Investment	6	-	306.86
(v) Loans	7	1,920.00	2,189.96
(c) Other current assets	13	3,418.62	2,744.94
(d) Current Tax Asset (net)	14	9.64	33.73
Total current assets		18,178.25	16,322.73
Total assets		23,211.84	19,037.55
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	3,938.89	3,938.89
(b) Other equity	16	9,040.22	8,365.83
Total equity		12,979.11	12,304.72
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	10.82	-
(ii) Lease Liabilities	18	74.65	-
(iii) Other financial liabilities	20	211.41	461.50
(b) Provisions	22	33.04	24.86
Total non-current liabilities		329.92	486.36
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	6.88	-
(ii) Trade payables			
(a) Dues to Micro and Small Enterprises	19	42.66	35.85
(b) Dues to Others	19	416.32	802.67
(iii) Lease Liabilities	18	16.49	-
(iv) Other financial liabilities	20	236.80	101.62
(b) Other current liabilities	21	8,834.51	5,195.87
(c) Provisions	22	349.15	110.46
Total current liabilities		9,902.81	6,246.47
Total liabilities		10,232.73	6,732.83
Total equity and liabilities		23,211.84	19,037.55

The accompanying notes 1 to 44 form an integral part of these standalone financial statements.

As per our report of even date attached

For Dhirubhai Shah & Co. LLP

Chartered Accountants
Firm's Registration No: 102511W/W100298

Parth S Dadawala

Partner
Membership No: 134475

Place : Ahmedabad
Date : 09 May 2024

For and on behalf of the Board of Directors of Nila Spaces Limited

CIN No. :L45100GJ2000PLC083204

Deep Vadodaria

Wholetime Director
DIN : 01749361

Prashant H Sarkhedi
Chief Financial Officer

Place : Ahmedabad
Date : 09 May 2024

Anand B Patel

Director
DIN : 07272892

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	23	9,071.31	100.67
Other income	24	432.59	241.64
Total income		9,503.90	342.31
Expenses			
Cost of material consumed and project expenses	25	6,548.94	75.04
Employee benefits expenses	26	286.38	124.36
Finance costs	27	477.05	0.44
Depreciation	4-5	121.89	11.21
Other expenses	28	1,137.10	688.27
Total expenses		8,571.36	899.32
Profit before tax		932.54	(557.01)
Tax expense:			
(a) Current Tax	32	155.13	-
(b) MAT Credit Entitlement	32	(74.39)	-
(c) Adjustments of tax for earlier years	32	-	0.83
(d) Deferred tax charge/(credit) (net)	32	175.02	(156.22)
Tax Expense		255.76	(155.39)
Profit for the year		676.78	(401.62)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligation	16	(3.31)	1.66
Income tax relating to these items	16	0.92	(0.46)
Other comprehensive income for the year, net of tax		(2.39)	1.20
Total comprehensive income for the year		674.39	(400.42)
Earnings per equity share (Face value ₹ 1 per share)			
Basic	29	0.17	(0.10)
Diluted	29	0.17	(0.10)

The accompanying notes 1 to 44 form an integral part of these standalone financial statements.

As per our report of even date attached

For Dhirubhai Shah & Co. LLP
Chartered Accountants
Firm's Registration No: 102511W/W100298

**For and on behalf of the Board of Directors of
Nila Spaces Limited**
CIN No. :L45100GJ2000PLC083204

Parth S Dadawala
Partner
Membership No: 134475

Deep Vadodaria
Wholetime Director
DIN : 01749361

Anand B Patel
Director
DIN : 07272892

Prashant H Sarkhedi
Chief Financial Officer

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Standalone Statement of Changes in Equity

for the year ended 31 March 2024

A. Equity share capital (Refer Note No. 15)

(₹ in lakhs)

Particulars	Balance at the beginning of the year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current period	Changes in equity share capital during the year	Balance at the end of the year
As at 31 March 2023	3,938.89	-	3,938.89	-	3,938.89
As at 31 March 2024	3,938.89	-	3,938.89	-	3,938.89

B. Other Equity (Refer Note No. 16)

(₹ in lakhs)

Particulars	Reserves and Surplus				Total
	Retained earnings	Capital reserve	Securities premium account	General reserve	
Balance as at 01 April 2022	1,144.92	7,607.64	5.80	7.90	8,766.26
Loss for the year	(401.62)	-	-	-	(401.62)
Items of other comprehensive income					
Remeasurement of post-employment benefit obligation (net of taxes)	1.19	-	-	-	1.19
Balance as at 31 March 2023	744.49	7,607.64	5.80	7.90	8,365.83
Profit for the year	676.78	-	-	-	676.78
Items of other comprehensive income					
Remeasurement of post-employment benefit obligation (net of taxes)	(2.39)	-	-	-	(2.39)
Balance as at 31 March 2024	1,418.88	7,607.64	5.80	7.90	9,040.22

The accompanying notes 1 to 44 form an integral part of these standalone financial statements.

As per our report of even date attached

For Dhirubhai Shah & Co. LLP

Chartered Accountants
Firm's Registration No: 102511W/W100298

Parth S Dadawala

Partner
Membership No: 134475

Place : Ahmedabad
Date : 09 May 2024

For and on behalf of the Board of Directors of Nila Spaces Limited

CIN No. :L45100GJ2000PLC083204

Deep Vadodaria

Wholetime Director
DIN : 01749361

Prashant H Sarkhedi
Chief Financial Officer

Place : Ahmedabad
Date : 09 May 2024

Anand B Patel

Director
DIN : 07272892

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Standalone Statement of Cash Flow

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Profit/(Loss) before tax	932.54	(557.01)
Adjustments for:		
Finance cost	477.05	0.44
Depreciation	124.61	11.91
(Profit)/Loss on Sale/discard of fixed asset (net)	-	(17.77)
Share of loss from LLP	0.05	0.41
Allowance for credit losses	1.00	3.50
Interest income	(299.57)	(216.33)
Operating Profit/(Loss) before working capital changes	1,235.68	(774.85)
Changes in working capital adjustments		
(Increase)/Decrease in Trade Receivables	(59.68)	55.00
(Increase)/Decrease in Other Current Assets	(673.68)	(1,096.67)
(Increase)/Decrease in Other Non Current Assets	(58.82)	(81.97)
(Increase)/Decrease in Inventories	597.77	(2,917.72)
Increase/(Decrease) in Trade Payables	(379.55)	637.58
Increase/(Decrease) in Other Financial Liabilities	(114.91)	234.10
Increase/(Decrease) in Other Current Liabilities	3,638.64	5,182.04
Increase/(Decrease) in Provisions	243.56	113.52
Adjustments for other bank balances	(2,111.56)	(5.00)
Cash generated from / (used in) operations	2317.45	1,346.03
Less: Income taxes paid (net)	(131.05)	(32.96)
Net cash flow from/ (used in) operating activities [A]	2186.40	1,313.07
Cash flow from investing activities		
Purchase of Property, Plant and Equipments	(2,610.88)	(48.08)
Sale of Fixed Asset	-	60.80
(Investment)/Withdrawal of Investment in Joint Ventures	1,236.57	(0.70)
(Investment)/Withdrawal of Investment in Mutual Fund	306.86	(306.86)
(Investment)/Withdrawal of Investment in Fixed deposit	(1,110.00)	(205.00)
Interest Income	132.43	1.77
Loans (Given to)/Repaid by related Party (net)	(900.00)	-
Loans (Given to)/Repaid by others (net)	1,337.10	275.92
Net cash flow from / (used in) investing activities [B]	(1,607.92)	(222.15)
Cash flow from financing activities		
Proceeds from / (Repayment) of Long Term Borrowings (net)	17.70	-
Increase/(Decrease) in Lease Liabilities	91.14	-
Finance costs paid	(477.05)	(0.44)
Net cash flow from/ (used in) financing activities [C]	(368.21)	(0.44)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	210.27	1,090.48
Cash and cash equivalents at the beginning of the year	1,162.08	71.60
Cash and cash equivalents at end of the year (see note 2)	1,372.35	1,162.08

Standalone Statement of Cash Flow

for the year ended 31 March 2024

Notes:

- 1 The above statement of Cash Flow has been prepared under "Indirect method" as set out in the Indian Accounting Standard (Ind AS 7) "Statement of Cash Flow".
- 2 Cash and cash equivalents as per above comprise of the following:

(₹ in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash on hand	1.33	0.35
Balance with banks	1,371.02	1,161.73
Cash and cash equivalents	1,372.35	1,162.08

- 3 Changes in liabilities arising from Financing activities, including both changes arising from cash flows and non cash changes:

Reconciliation of liabilities arising from financing activities

(₹ in lakhs)

Particulars	As at 1 April 2023	Non cash changes	Changes as per standalone statement of cash flow	As at 31 March 2024
Borrowings(long term borrowings,short term borrowings & current maturities of long term borrowings)	-	-	17.70	17.70

As per our report of even date attached

For Dhirubhai Shah & Co. LLP

Chartered Accountants
Firm's Registration No: 102511W/W100298

Parth S Dadawala

Partner
Membership No: 134475

Place : Ahmedabad
Date : 09 May 2024

For and on behalf of the Board of Directors of

Nila Spaces Limited
CIN No. :L45100GJ2000PLC083204

Deep Vadodaria

Wholetime Director
DIN : 01749361

Prashant H Sarkhedi
Chief Financial Officer

Place : Ahmedabad
Date : 09 May 2024

Anand B Patel

Director
DIN : 07272892

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Notes to the standalone financial statements

for the year ended 31 March, 2024

1. Corporate Information

Nila Spaces Limited is a Company based in Ahmedabad, Gujarat with its Registered Office situated at 1st Floor, Sambhaav House, Opp. Chief Justice Bungalow, Bodakdev, Ahmedabad - 380015. Nila Spaces Limited is a public company incorporated on 03 May 2000 and listed on BSE (Bombay Stock Exchange of India Limited) and NSE (National Stock Exchange of India Limited). The Company is engaged in the development of real estate comprising of residential and commercial projects.

2. Basis of preparation and measurement

2.1. Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The standalone financial statements for the year ended 31 March 2024 have been reviewed by audit committee and subsequently approved by Board of Directors at its meetings held on 09 May 2024.

Details of the Company's material accounting policies are included in note 3.

2.2. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees, which is also the Company's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3. Basis of Measurement

These standalone financial statements have been prepared on going concern basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.4. Use of estimates and judgments

In preparing this standalone financial statement, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and the assumptions that have most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

Note 3(b)&(c) – Useful life used for the purpose of depreciation on property, plant and equipment and investment properties and amortization of intangible assets.

Note 3(e) - Identification of the building as an investment property

Note 3(f) - Impairment of financial and non-financial assets

Note 3(g) - Recognition and measurement of defined benefit obligations, key actuarial assumptions

Note 3(h) - Evaluation of percentage completion for the purpose of revenue recognition.

Notes to the standalone financial statements

for the year ended 31 March, 2024

Note 3(i) - Fair value measurement of financial instruments

Note 3(j) - Current / deferred tax expense and recognition and evaluation of recoverability of deferred tax assets

Note 3(l) - Provisions and contingencies

Note 3(o) - Lease classification

2.5 Measurement of fair values

The Company's accounting policies and disclosures requires the measurement of fair values for financial instruments. The Company has established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between the levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 5 - Investment property

Note 35 - Financial instruments

3. Material Accounting Policies

a) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Operating cycle for project related assets and liabilities is the time start of the project to their realization in cash or cash equivalents. Operating cycle for all other assets and liabilities has been considered as twelve months.

b) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Notes to the standalone financial statements

for the year ended 31 March, 2024

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in Statement of Profit and Loss.

Subsequent measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as other non-current assets.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

c) Intangible assets and amortisation

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits associated with the expenditure will flow to the Company. All other expenditure is recognized in the Statement of Profit and Loss as incurred

Amortisation

Intangible assets are amortized on a straight - line basis (pro-rata from the date of additions) over estimated useful life of four years.

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of intangible assets and is recognized in the Statement of Profit and Loss.

d) Capital work-in-progress and intangible assets under development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/intangible assets under development which are not yet ready for their intended use and are carried at cost less accumulated impairment loss, if any.

Notes to the standalone financial statements

for the year ended 31 March, 2024

Depreciation/amortisation is not provided on capital work-in-progress and intangible assets under-development until construction/installation are complete and the asset is ready for its intended use.

e) Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Recognition and measurement

Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of investment properties equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Fair value disclosure

The fair values of investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Any gain or loss on disposal of an investment property is recognized in Statement of Profit and Loss.

f) Impairment of non-financial assets

Non-financial assets of the Company, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Notes to the standalone financial statements

for the year ended 31 March, 2024

g) Employee benefits

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted expenses and are expensed as the related services are provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered schemes. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the periods during which the services are rendered by the employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefits is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method.

Remeasurement gains or losses are recognized in the Statement of Profit and Loss in the period in which they arise.

Notes to the standalone financial statements

for the year ended 31 March, 2024

h) Revenue recognition

(i) Recognition of Revenue from Real Estate Development:

Revenue is recognized on satisfactory performance obligations in a contract with customers, allocation of transaction price to the performance obligations and recognition of revenue as the performance obligations are satisfied either at a point in time or over a period of time. While recognizing revenue, the cost of land has been allocated in proportion to the percentage of work completed. If the outcome of a construction contract can be estimated reliably, contract revenue is recognized in the Statement of Profit and Loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognized as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognized immediately in the Statement of Profit and Loss.

(ii) Land and transferrable development rights

Revenue from contracts for sale of land and transferrable development rights is recognized at a point in time when control is transferred to the customer and it is probable that consideration will be collected. This is usually deemed to be legal completion as this is the point at which the Company has an enforceable right to payment. Revenue from sale of land and transferrable development rights is measured at the transaction price specified in the contract with the customer.

(iii) Contract balances

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

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

(iv) Lease rental income

Lease income from operating leases shall be recognized in income on a straight -line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Income from leasing of commercial complex is recognized on an accrual basis in accordance with lease agreements. Refer note 3(O) for accounting policy on leases.

(v) Share in profit/ loss of Limited liability partnerships (“LLPs”) and partnership firm

The Company's share in profits from LLPs and partnership firm, where the Company is a partner, is recognized as income in the statement of profit and loss as and when the right to receive its profit/ loss share is established by the Company in accordance with the terms of contract between the Company and the partnership entity.

(vi) Interest Income

Interest income, including income arising from other financial instruments measured at amortized cost, is recognized using the effective interest rate method.

Notes to the standalone financial statements

for the year ended 31 March, 2024

(vii) Dividend Income

Revenue is recognized when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholder approve the dividend.

i) Financial instrument

Financial assets

Classification

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

Initial recognition and measurement

On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through the Statement of Profit and Loss (FVTPL), its transaction cost are recognized in the Statement of Profit and Loss. In other case, the transaction costs are attributed to the acquisition value of the financial asset

Subsequent measurement and gains and losses

Financial assets are subsequently classified as measured at

- **Financial assets at amortized cost:** These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.
- **Fair value through profit and loss (FVTPL):** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of Profit and Loss
- **Fair value through other comprehensive income (FVOCI):** These assets are subsequently measured at fair value. Dividends are recognized as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognized in OCI and are not reclassified to the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade receivables and loans

Trade receivables and loans are initially recognized at fair value when they are originated. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Equity instrument

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognized as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI.

Notes to the standalone financial statements

for the year ended 31 March, 2024

Fair value Changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of the financial asset) is primarily derecognized when:

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

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognized in Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through Statement of Profit and Loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet date if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle them on net basis or to realize the assets and settle the liabilities simultaneously.

Notes to the standalone financial statements

for the year ended 31 March, 2024

j) Income taxes

Income tax comprises of current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) credit is recognized as a deferred tax asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

k) Inventories

Inventory comprises of land, Finished Goods of Residential project and land development rights.

Land and land development rights are valued at lower of cost or net realizable value. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing cost and other related overhead as the case may be. In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the immediate period, generally, the land is not registered in the name of the company.

Direct expenditures relating to real estate activity are inventoried. Other expenditure (including borrowing costs) during construction period is inventoried to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification to the real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

- i. **Work-in-progress (including land inventory):** Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.
- ii. **Finished goods – unsold residential unit, commercial unit, plots:** Valued at lower of cost and net realizable value.

Notes to the standalone financial statements

for the year ended 31 March, 2024

- iii. **Construction material:** Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

l) Provisions and contingencies

A provision is recognized if, as a result of past events, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed in the Notes to the Standalone Financial Statements. Contingent liabilities are disclosed for:

- i. possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- ii. Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

m) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

n) Investments in subsidiaries, joint venture and associates

The Company has elected to recognise its investments in subsidiary and associate and joint venture companies at cost in accordance with the option available in Ind AS 27, Separate Financial Statements.

o) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received.

Notes to the standalone financial statements

for the year ended 31 March, 2024

Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 3(f) on impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

II. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Assets subject to operating leases are included under Investment property.

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

p) Advance paid towards land procurement

Advances paid by the Company to the seller/intermediary towards outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Company, whereupon it is transferred to land stock under inventories. Management is of the view that these advances are given under normal trade practices and are neither in the nature of loans nor advance in the nature of loans.

Notes to the standalone financial statements

for the year ended 31 March, 2024

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

r) Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events such as bonus shares, other than conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

In a capitalization or bonus issue or share split, ordinary shares are issued to equity shareholders for no additional consideration. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

s) Cash and Cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid, which are subject to insignificant risk of changes in value

t) Recent accounting pronouncement:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

u) New Amendments not yet adopted by the Company

i. Code on Social Security, 2020:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13 November 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to the standalone financial statements

for the year ended 31 March 2024

4. Property, Plant and Equipment

(₹ in lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	For the year	Deductions	As at 31 March 2024	As at 1 April 2023	
Computer	6.69	41.34	-	48.03	0.48	4.89	-	5.37	42.66	6.21
Office Equipments	2.16	216.50	-	218.66	0.03	10.45	-	10.48	208.18	2.13
Plant & Machinery	0.38	24.48	-	24.86	0.01	1.12	-	1.13	23.73	0.37
Vehicle	1.20	148.88	-	150.08	0.38	5.20	-	5.58	144.50	0.82
Furniture & Fixtures	14.40	404.36	-	418.76	0.25	19.44	-	19.69	399.07	14.15
Co- Working Structure	-	1,676.43	-	1,676.43	-	67.48	-	67.48	1,608.95	-
Right-of-Use	-	98.88	-	98.88	-	4.94	-	4.94	93.94	-
Total	24.83	2,610.87	-	2,635.70	1.15	113.52	-	114.67	2,521.03	23.68

The company has transferred depreciation amounting to ₹ 2.72 lakhs (31 March 2023 : ₹ 0.69 lakhs) to project WIP for the FY 2023-24.

(₹ in lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	As at 1 April 2022	Additions	Deductions	As at 31 March 2023	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 1 April 2022	
Computer	-	6.69	-	6.69	-	0.48	-	0.48	6.21	-
Office Equipments	14.65	2.16	14.65	2.16	9.97	0.03	9.97	0.03	2.13	4.68
Plant & Machinery	-	0.38	-	0.38	-	0.01	-	0.01	0.37	-
Vehicle	1.20	-	-	1.20	0.27	0.11	-	0.38	0.82	0.93
Furniture & Fixtures	-	14.40	-	14.40	-	0.25	-	0.25	14.15	-
Total	15.85	23.63	14.65	24.83	10.24	0.88	9.97	1.15	23.68	5.61

The company has transferred depreciation amounting to ₹ 0.69 lakhs (31 March 2022 : NIL) to project WIP for the FY 2022-23.

Notes to the standalone financial statements

for the year ended 31 March 2024

5. Investment Properties

(₹ in lakhs)

Particulars	Gross Block		Accumulated Depreciation			Net Block		
	As at 1 April 2023	Additions	Deductions	As at 31 March 2024	For the year	Deductions	As at 31 March 2024	As at 1 April 2023
Building & Office Premises	702.08	-	-	702.08	11.09	-	649.98	661.07
Total	702.08	-	-	702.08	11.09	-	649.98	661.07

(₹ in lakhs)

Particulars	Gross Block		Accumulated Depreciation			Net Block		
	As at 1 April 2022	Additions	Deductions	As at 31 March 2023	For the year	Deductions	As at 31 March 2023	As at 1 April 2022
Building & Office Premises	718.63	24.45	41.00	702.08	11.02	2.66	661.07	686.00
Total	718.63	24.45	41.00	702.08	11.02	2.66	661.07	686.00

Amount recognised in statement of profit and loss from Investment Properties

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Profit from Sale of Investment Properties	-	22.45
Less: Depreciation during the year	11.09	11.02
Total	(11.09)	11.43

Fair Value of Investment Property

The company's Investment Property consist of commercial and residential properties. The fair value of Investment property is ₹ 1,088.42 Lakhs (31 March 2023: ₹ 1,090.88 Lakhs). The valuations is based on valuation performed by an accredited independent valuer and is a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value of the Company's investment properties have been arrived by Market approach using sales comparison method. The fair value measurement of the investment properties has been categorised as Level 3 fair value based on the inputs to the valuation techniques used.

Notes to the standalone financial statements

for the year ended 31 March 2024

6. Investments

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Investments in Joint Ventures (at cost)		
Nila Projects LLP - Fixed Capital	-	10.00
Nila Projects LLP - Fluctuating Capital	-	1,306.86
	-	1,316.86
Investments in Associate (at cost)		
2,33,750 (31 March 2023 : 2,33,750) Equity shares of Mega City Cinemall Pvt. Ltd. of ₹ 10/- each	222.06	222.06
Total Investments in Associate and Joint Venture	222.06	1,538.92
Investments in Others		
(a) Investment in LLP		
Bagmar Nila Projects (Udaipur) LLP	1.90	1.90
(a) Name of Firm: Bagmar Nila Projects (Udaipur) LLP		
(b) Name of Partners: i) Nila Spaces Limited		
ii) Mahesh Bagmar iii) Mamta Bagmar		
(C) Profit sharing ratio: (19:72:9) (Previous year 19:72:9)		
Bagmar Nila Projects (Jodhpur) LLP	1.90	1.90
(a) Name of Firm: Bagmar Nila Projects (Jodhpur) LLP		
(b) Name of Partners: i) Nila Spaces Limited		
ii) Mahesh Bagmar iii) Mamta Bagmar		
(C) Profit sharing ratio: (19:72:9) (Previous year 19:72:9)		
(b) Fair value through Other Comprehensive Income		
Debentures - Samasth Living Pvt. Ltd.	40.00	-
Pref Shares - Samasth Living Pvt. Ltd.	40.24	-
Total Investments in others	84.04	3.80
Total	306.10	1,542.72
Current		
(a) Fair value through Profit and loss		
Investment in Mutual Fund		
HDFC Money Market Fund - Grow - NIL Unit (31 March 2023 : 6,334.54 Units)	-	306.86
Total	-	306.86
Aggregate value of unquoted investment	306.10	1,542.72
Aggregate value of quoted investment	-	306.86

Notes to the standalone financial statements

for the year ended 31 March 2024

7. Loans

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Unsecured, Considered good		
Loans		
Other than related Parties	987.42	2,189.96
Related Parties	932.58	-
Total	1,920.00	2,189.96

Refer note 35 - Financial instruments, fair values and risk measurement

Refer note 30 - Related party transactions

8. Other Financial Assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Fixed deposit with Banks having original maturity more than 12 months	1,315.00	205.00
Total	1,315.00	205.00

Refer note 35 - Financial instruments, fair values and risk measurement

9. Other non current assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, Considered good		
Security and other deposits	152.27	93.44
Total	152.27	93.44

10. Inventories

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Work in progress	4,018.66	4,616.43
Finished Goods	163.16	163.16
Land and land development rights	5,096.07	5,096.07
Total	9,277.89	9,875.66

Refer note 3(k) for accounting policy on inventories.

Notes to the standalone financial statements

for the year ended 31 March 2024

11. Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Related parties		
Unsecured, considered good	-	-
Other than related parties		
Unsecured, considered good	63.19	4.50
Unsecured, considered doubtful	4.50	3.50
Less : Allowance for credit losses	(4.50)	(3.50)
Total	63.19	4.50

Refer note 35 - Financial instruments, fair values and risk measurement

Refer note 30 : Related Party Transactions

Ageing of Trade Receivable as at 31 March 2024

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	63.19	-	-	-	-	63.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	4.50	-	4.50
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	63.19	-	-	4.50	-	67.69
Less : Allowance for credit losses	-	-	-	4.50	-	4.50
Total	63.19	-	-	-	-	63.19

Ageing of Trade Receivable as at 31 March 2023

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	-	-	4.50	-	-	4.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	3.50	-	-	3.50

Notes to the standalone financial statements

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	-	-	8.00	-	-	8.00
Less : Allowance for credit losses	-	-	3.50	-	-	3.50
Total	-	-	4.50	-	-	4.50

12. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance in current account	397.80	1,161.73
Fixed deposit with Banks having maturity less than 3 months	973.22	-
Cash on hand	1.33	0.35
Total	1,372.35	1,162.08
Other Bank Balances		
Margin money deposit with Bank	1,156.56	5.00
other bank balance	960.00	-
	2,116.56	5.00
Total	3,488.91	1,167.08

Refer note 35 - Financial instruments, fair values and risk measurement

13. Other current assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, Considered good		
Advance for Land Purchase to related party*	1,960.02	1,960.02
Advance to Suppliers	656.86	727.74
Other Current Asset	89.08	1.61
Prepaid expenses	664.01	5.90
Advance to Employees	3.00	4.02
Advance with Government Authorities		
- Goods and service tax receivable	45.65	45.65
Total	3,418.62	2,744.94

Refer note 30 : Related Party Transactions

Notes to the standalone financial statements

for the year ended 31 March 2024

* Advance for land purchase though unsecured, are considered good as the advances have been given based on arrangement/Memorandum of understanding executed by the company and the company/seller/intermediary is in the course of obtaining clear and marketable title, free from all encumbrances.

14. Current tax assets (Net)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance payment of tax	164.77	33.73
Less : Current tax liabilities	(155.13)	-
Total	9.64	33.73

15. Equity share capital

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Authorised share capital		
45,00,00,000 (31 March 2023 : 45,00,00,000) Equity shares of ₹ 1/- each fully paid	4,500.00	4,500.00
(b) Issued, Subscribed and Paid-up Capital		
39,38,89,200 (31 March 2023 : 39,38,89,200) Equity shares of ₹ 1/- each fully paid	3,938.89	3,938.89

(c) Reconciliation of Share outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2024		As at 31 March 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Balance as at the beginning of the year	39,38,89,200.00	3,938.89	39,38,89,200.00	3,938.89
Issued during the year	-	-	-	-
Balance as at the end of the year	39,38,89,200.00	3,938.89	39,38,89,200.00	3,938.89

(d) Terms / rights attached to Equity shares

- (i) The company has only one single class of equity shares referred to as equity share having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held.
- (ii) The Company declares and pay dividend in Indian Rupees. The dividend proposed by the Board of Director is subject to the approval of the Shareholder in the Annual General Meeting except in case of interim dividend.
- (iii) In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the standalone financial statements

for the year ended 31 March 2024

(e) Details of shareholders holding more than 5% of Equity shares in the company

Promoter name	As at 31 March 2024		As at 31 March 2023	
	Nos. of shares	% Holding	Nos. of shares	% Holding
Manoj B Vadodaria	4,63,04,712.00	11.75%	5,31,54,712.00	13.49%
Nila M Vadodaria	4,39,55,267.00	11.16%	4,39,55,267.00	11.16%
Kiran B Vadodaria	3,17,58,100.00	8.06%	3,86,08,100.00	9.80%
Alpa K Vadodaria	3,68,00,000.00	9.34%	3,68,00,000.00	9.34%
Deep S Vadodaria	3,17,52,108.00	8.06%	3,17,52,108.00	8.06%
Mina S Vadodaria	2,16,55,000.00	5.50%	2,16,55,000.00	5.50%

(f) Shares held by Promoter's Group at the end of the year

As at 31 March 2024

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% Changes during the year
Manoj B Vadodaria	5,31,54,712.00	(68,50,000.00)	4,63,04,712.00	11.75%	(12.89%)
Nila M Vadodaria	4,39,55,267.00	-	4,39,55,267.00	11.16%	-
Alpa K Vadodaria	3,68,00,000.00	-	3,68,00,000.00	9.34%	-
Kiran B Vadodaria	3,86,08,100.00	(68,50,000.00)	3,17,58,100.00	8.06%	(17.74%)
Deep S Vadodaria	3,17,52,108.00	-	3,17,52,108.00	8.06%	-
Mina S Vadodaria	2,16,55,000.00	-	2,16,55,000.00	5.50%	-
Chhaya R Vadodaria	43,00,000.00	-	43,00,000.00	1.09%	-
Siddharth R Vadodaria	68,00,000.00	-	68,00,000.00	1.73%	-
Karan R Vadodaria	68,00,000.00	-	68,00,000.00	1.73%	-
Neha M Vadodaria	-	68,50,000.00	68,50,000.00	1.74%	100.00%
Kajal K Vadodaria	-	68,50,000.00	68,50,000.00	1.74%	100.00%
Total	24,38,25,187.00	-	24,38,25,187.00	61.89%	-

As at 31 March 2023

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% Changes during the year
Manoj B Vadodaria	5,31,54,712.00	-	5,31,54,712.00	13.49%	-
Nila M Vadodaria	4,39,55,267.00	-	4,39,55,267.00	11.16%	-
Alpa K Vadodaria	3,68,00,000.00	-	3,68,00,000.00	9.34%	-
Kiran B Vadodaria	3,86,08,100.00	-	3,86,08,100.00	9.80%	-
Deep S Vadodaria	3,17,52,108.00	-	3,17,52,108.00	8.06%	-
Shailesh B Vadodaria	1,29,60,000.00	(1,29,60,000.00)	-	-	(100.00%)

Notes to the standalone financial statements

for the year ended 31 March 2024

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% Changes during the year
Mina S Vadodaria	86,95,000.00	1,29,60,000.00	2,16,55,000.00	5.50%	149.05%
Rajeshbhai B Vadodaria	50,00,000.00	(50,00,000.00)	-	-	(100.00%)
Chhaya R Vadodaria	43,00,000.00	-	43,00,000.00	1.09%	-
Siddharth R Vadodaria	43,00,000.00	25,00,000.00	68,00,000.00	1.73%	58.14%
Karan R Vadodaria	43,00,000.00	25,00,000.00	68,00,000.00	1.73%	58.14%
Total	24,38,25,187.00	-	24,38,25,187.00	61.89%	-

(g) During last 5 years immediately preceding reporting date, the Company has not allotted any (a) Bonus Shares or (b) Shares issued for consideration other than cash.

(h) During last 5 years immediately preceding reporting date, the Company has not bought back any class of shares.

16. Other equity

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Reserves & Surplus		
(i) Retained earnings	1,418.88	744.49
(ii) Equity security premium	5.80	5.80
(iii) Capital reserve	7,607.64	7,607.64
(iv) General reserve	7.90	7.90
Total	9,040.22	8,365.83

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Retained earnings		
Profit & loss opening balance	744.49	1,144.92
Profit/(Loss) during the year	676.78	(401.62)
Items of other comprehensive income		
Remeasurement of post-employment benefit obligation (net of taxes)	(2.39)	1.19
Total	1,418.88	744.49
(ii) Equity security premium	5.80	5.80
(iii) Capital reserve	7,607.64	7,607.64
(iv) General reserve	7.90	7.90
Total	9,040.22	8,365.83

Notes to the standalone financial statements

for the year ended 31 March 2024

Nature and purpose of reserves

General Reserve - The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.

Retained Earnings - Retained earnings are the profits that company has earned till date, less any transfer to general reserve, dividends or other distributions paid to the shareholders

Capital Reserve - The excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of Demerger.

Equity Security Premium - Securities premium reserve is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Act.

17. Borrowings

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured loans		
Non Current		
Vehicle Loan	10.82	-
	10.82	-
Current		
Current Maturity of Long Term Debt	6.88	-
	6.88	-
Total	17.70	-

A. Nature of Security

Against hypothecation of vehicle

B. Rate of Interest and Terms of Repayment

(i) The Company has availed secured loan facilities from bank at following rate of interest and repayment schedule

Particulars	Repayment Schedule		
	No. of Installments	Rate of Interest	First Installment Date
Vehicle loan	39	8.60%	07-06-2023

C. Registration of charge or satisfaction with registration of companies

The Company has registered charge or satisfaction with ROC, within Statutory period.

D. Utilisation of Borrowed Funds And Share Premium

As on 31 March 2024, there is no unutilised borrowed funds and securities premium. The securities premium, long-term and short term borrowed funds from banks and financial institutions have been utilised for the specific purpose for which the funds were raised.

Notes to the standalone financial statements

for the year ended 31 March 2024

18. Lease Liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Lease Liabilities	74.65	-
	74.65	-
Current		
Lease Liabilities	16.49	-
	16.49	-
Total	91.14	-

19. Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Dues to Micro & Small Enterprises (as per the intimation received from vendors) #	42.66	35.85
Dues to others - Trade payables	416.32	802.67
Total	458.98	838.52

#The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company. This has been relied upon by auditors.

Total dues to Micro & Small Enterprises

Particulars	As at 31 March 2024	As at 31 March 2023
Dues to Micro & Small Enterprises (as per the intimation received from vendors)		
A. Principal and interest amount remaining unpaid	42.66	35.85
B. Interest due thereon remaining unpaid	-	-
C. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to supplier beyond the appointed day	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
E. Interest accrued and remaining unpaid	-	-
F. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Notes to the standalone financial statements

for the year ended 31 March 2024

Ageing of Trade Payable as at 31 March 2024

(₹ in lakhs)

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	42.66	-	-	-	42.66
(ii) Others	-	416.32	-	-	-	416.32
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	458.97	-	-	-	458.97

Ageing of Trade Payable as at 31 March 2023

(₹ in lakhs)

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	35.85	-	-	-	35.85
(ii) Others	-	802.67	-	-	-	802.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	838.52	-	-	-	838.52

20. Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Security deposits	211.41	461.50
	211.41	461.50
Current		
Employee related liabilities	3.83	26.18
Retention from Vendors	232.87	75.44
Interest due on borrowings	0.10	-
	236.80	101.62
Total	448.21	563.12

21. Other current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from customer	8,779.94	5,083.67
Statutory dues payable	54.57	112.21
Total	8,834.51	5,195.87

Notes to the standalone financial statements

for the year ended 31 March 2024

22. Provisions

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
(a) Provisions for employee benefits		
Gratuity (refer note 31)	22.87	16.84
Leave encashment (refer note 31)	10.17	8.02
	33.04	24.86
Current		
(a) Provisions for employee benefits		
Gratuity (refer note 31)	0.37	0.27
Leave encashment (refer note 31)	0.78	0.60
(b) Provision for expenses		
Provision for Expenses	348.00	109.59
	349.15	110.46
Total	382.19	135.32

23. Revenue from operations

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
A. Sales		
Development of Projects - with construction	8,961.95	101.08
B. Other operating revenue		
Other operating income	109.41	-
Share of loss from LLP	(0.05)	(0.41)
Total	9,071.31	100.67

24. Other income

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest Income	299.57	216.33
Profit/(Loss) on Sale of Fixed Asset	-	22.45
Other non-operating income	117.76	38.15
	417.33	276.93
Add/(Less): Transferred from/(to) WIP	15.26	(35.29)
Total	432.59	241.64

Notes to the standalone financial statements

for the year ended 31 March 2024

25. Cost of material consumed and project expenses

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Construction, Material and Labour	3,601.12	2,162.99
Land/Development Rights	1,961.83	343.05
Other Costs	196.49	35.75
	5,759.44	2,541.79
Add/(Less): Transferred from/(to) WIP	789.50	(2,466.75)
Total	6,548.94	75.04

26. Employee benefits expense

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Salaries, allowances and bonus	219.91	161.24
Contribution to provident and other fund (refer note 31)	1.79	2.70
Remuneration and perquisites to directors (refer note 30)	61.89	36.00
Director's Sitting Fees	0.60	0.48
	284.19	200.42
Add/(Less): Transferred from/(to) WIP	2.19	(76.06)
Total	286.38	124.36

Refer note 30 : Related Party Transactions

27. Finance cost

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest on Borrowings		
- Banks and financial institution	2.01	-
- Others	61.66	37.29
Total Interest on Borrowings(A)	63.67	37.29
Other Borrowing Cost		
- Bank charges	7.55	0.13
- Interest cost*	592.34	9.47
Total Other Borrowing Cost (B)	599.89	9.60
Total Finance cost (A+B)	663.56	46.89
Add/(Less):- Transferred from/(to) WIP	(186.51)	(46.45)
Total	477.05	0.44

* Interest Cost ₹ 592.34 lakhs (31 March 2023 : ₹ 9.47 lakhs) paid on behalf of customers as per contractual arrangement entered with them.

Notes to the standalone financial statements

for the year ended 31 March 2024

28. Other expenses

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Legal and professional charges	329.82	461.52
Listing Expenses	11.37	10.18
Rent Expense	8.47	22.37
Repairs and maintenance expenses	22.29	5.00
Insurance	0.44	5.07
Power and fuel expenses	16.83	14.17
Printing and stationery	3.36	4.19
Municipal tax	11.61	3.87
Payment to auditors (exclusive of GST)		
- Audit fees & Other certification fees (refer note 28.1)	3.65	1.75
Advertisement and business promotion expenses	343.05	531.48
Loss on Sale of Fixed Asset	-	4.69
Expected Credit Loss	1.00	3.50
Subscriptional and Membership	4.37	48.89
Miscellaneous expenses	35.29	23.77
GST Expense	123.11	154.01
	914.66	1294.46
Add/(Less): Transferred from/(to) WIP	222.44	(606.19)
Total	1,137.10	688.27

28.1 Payment to Auditor

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Audit Fees	3.65	1.75
Statutory Audit Fees	2.50	1.50
Tax Audit Fees	0.25	0.25
Other Certification fees	0.90	-

Notes to the standalone financial statements

for the year ended 31 March 2024

29. Earning per share

Particulars	As at 31 March 2024	As at 31 March 2023
Profit attributable to equity share holders :		
Basic earnings (₹ in lakhs)	676.78	(401.62)
Adjusted for the effect of dilution (₹ in lakhs)	676.78	(401.62)
Weighted average number of equity shares for (No. in Lakhs):		
Basic	3,938.89	3,938.89
Adjusted for the effect of dilution	3,938.89	3,938.89
Earning per share		
Basic	0.17	(0.10)
Diluted	0.17	(0.10)

30. Related party transactions

(A) Joint ventures :	Nila Projects LLP (Cease to be Joint Venture w.e.f 30 December 2023)
(B) Associates:	Megacity Cinemall Pvt Ltd
(C) Enterprise in which Key Managerial Personnel and Directors have significant influence	Nila Infrastructures Limited Sambhaav Media Limited SML Digital Media Private Limited Sambhaav Nascent LLP Romanovia Industrial Park Pvt Ltd Kent Residential and Industrial Park LLP
(D) Directors	Deep Vadodaria - Whole time Director (w.e.f. 13 May 2023) Prashant H Sarkhedi- Whole time Director (w.e.f. 13 May 2023) Jasvindersingh Rana- Chairman (Cease to be director w.e.f 24 July 2023 due to demise) Rajal B Mehta - Non Executive Director Shrinjay S Joshi - Non Executive Director Anand B Patel -Director (Non Executive Director w.e.f. 13 May 2023) Amit R Chokshi - Non Executive Director (w.e.f 21 August 2023) Kruti M Shah - Non Executive Director (w.e.f 26 August 2023)

Notes to the standalone financial statements

for the year ended 31 March 2024

30. Related party transactions

(E) Key Managerial Personnel	Prashant H Sarkhedi-Chief Finance Officer (W.e.f. 13 May 2023) Gopi V Dave - Company Secretary
(F) Close members of key managerial persons	Parul Prashant Sarkhedi Devang H Sarkhedi

Disclosure of transactions between the Company and Related Parties (Other than Key - managerial personnel) during the year 2023-24

(₹ in lakhs)

Particulars	Transaction Value	
	As at 31 March 2024	As at 31 March 2023
A. Loans (Assets)		
(i) Loans given during the year		
Romanovia Industrial Park Pvt Ltd	900.00	-
(ii) Interest Income received		
Romanovia Industrial Park Pvt Ltd	36.20	-
B. Investments		
(i) Investment withdrawn during the year		
Nila Projects LLP	1,316.86	-
(ii) Investment during the year		
Nila Projects LLP	-	0.70
(iii) Share of Profit/(Loss) during the year		
Nila Projects LLP	(0.05)	(0.41)
C. Other Contracts		
(i) Rent Paid		
Sambhaav Media Limited	2.13	2.10
(ii) Sale of Residential Unit		
Parul Prashant Sarkhedi	-	82.97
Devang H Sarkhedi	65.33	-
(iii) Reimbursement of Expense		
Nila Infrastructures Limited	-	-
Kent Residential & Industrial Park LLP	-	0.35
(iv) Purchase of Goods*		
Nila Infrastructures Limited	-	0.70
(v) Advance given for Land Purchase		
Nila Infrastructures Limited	-	430.00
(vi) Other Transactions		
Nila Infrastructures Limited		
- Employee Benefit on account of Employee transfer in	23.61	-
- Employee Benefit on account of Employee transfer Out	(26.20)	-

* Exclusive of taxes

Notes to the standalone financial statements

for the year ended 31 March 2024

Disclosure of the status of outstanding balances between the Company and Related Parties (Other than Key - managerial personnel) as at year end

(₹ in lakhs)

Particulars	Outstanding Balance	
	As at 31 March 2024	As at 31 March 2023
A. Investments		
Megacity Cinemall Pvt Ltd	222.06	222.06
Nila Projects LLP - Fixed Capital	-	10.00
Nila Projects LLP - Fluctuating Capital	-	1,306.86
B. Advance given for land		
Nila infrastructures Limited	1,960.02	1,960.02
C. Loan		
Romanovia Industrial Park Pvt Ltd	932.58	-
D. Other Transaction		
Nila infrastructures Limited	(2.59)	-

Disclosure of transactions between the Company and Key - managerial personnel during the year 2023-24

(₹ in lakhs)

Particulars	Transaction Value	
	As at 31 March 2024	As at 31 March 2023
Short term employee benefit		
- Directors	61.89	36.00
- Key Managerial Persons	6.20	12.77
Director sitting fees	0.60	0.48

31. Employee benefits

A. Defined benefit plans:

Gratuity

The Company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and tenure of employment. The liability in respect of gratuity being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date.

Notes to the standalone financial statements

for the year ended 31 March 2024

In activity of valuation for gratuity following assumptions were used:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Mortality rate	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Withdrawal rate	1.00%	1.00%
Retirement age	60 Years	58 Years
Discount rate	7.22%	7.49%
Salary escalation	6.00%	6.00%

The following tables set out the funded status of the gratuity plans and the amounts recognized in the Company's standalone financial statements as at 31 March 2024 & 31 March 2023 is set out as status of gratuity plan under Indian Accounting Standard 19 on "Employee Benefit".

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation as at the beginning of the year	17.11	16.41
Interest cost	1.28	1.20
Past service cost	-	-
Liability Transferred In/ Acquisitions	17.63	-
(Liability Transferred Out/ Divestments)	(18.16)	-
Current service cost	2.08	1.80
Actuarial loss/(gain) due to change in financial assumptions	0.78	(0.38)
Actuarial loss/(gain) due to change in demographic assumptions	-	-
Actuarial loss/(gain) due to experience adjustments	2.52	(1.28)
benefits paid	-	(0.64)
Present value of defined benefit obligation as at the end of the year	23.24	17.11
Amount recognized in the balance sheet		
Fair value of plan assets as at the end of the year	-	-
Present value of defined benefit obligation as at the end of the year	23.24	17.10
Net obligation as at end of year	23.24	17.10
Non current	22.87	16.84
Current	0.37	0.27
Expenses recognized in the statement of profit and loss under the head employee benefit expenses		
Service cost	2.08	1.80
Interest Expense	1.28	1.20
Past service cost	-	-
Net expense recognized in employee benefit expenses	3.36	3.00

Notes to the standalone financial statements

for the year ended 31 March 2024

Particulars	As at 31 March 2024	As at 31 March 2023
Expenses recognized in other comprehensive income for the year		
Remeasurment due to:		
Actuarial loss on obligations - due to change in financial assumptions	0.78	(0.38)
Actuarial (gain) on obligations - due to change in demographic assumptions	-	-
Actuarial loss/(gain) on obligations - due to experience adjustments	2.52	(1.28)
Net expense/(income) recognized in other comprehensive income	3.31	(1.66)

Sensitivity analysis

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	Increase	Increase	Decrease	Decrease
Discount rate (1% movement)	(2.72)	(1.73)	3.28	2.05
Salary growth rate (1% movement)	2.41	2.06	(2.07)	(1.77)
Withdrawal rate (1% movement)	0.80	0.24	(0.94)	(0.28)

The sensitivity analyses presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related. Further more, interpreting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The obligations are measured at the present value of estimated future cashflow by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation. The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

Expected future cash flow:

The expected future cash flow in respect of gratuity at balance sheet date will be as follows

(₹ in lakhs)

Projected benefits payable in future years from the date of reporting	31 March 2024	31 March 2023
1st following year	0.37	0.27
2nd following year	0.41	0.30
3rd following year	0.44	0.32
4th following year	0.47	2.98
5th following year	0.51	0.75
Sum of years 6 to 10	9.99	7.14

B. Other long term employee benefits

Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employee at the year end. The value of such leave balances that are eligible for carry forward is determined by actuarial valuation as at the end of the year and actuarial gains and loss are charged to the statement of profit and loss amount of ₹ 4.39 lakhs (31 March 2023 : ₹ 1.57 lakhs) towards leave benefits is recognized as an expense and included in the Statement of Profit and Loss.

Notes to the standalone financial statements

for the year ended 31 March 2024

Actuarial assumptions	31 March 2024	31 March 2023
Discount rate	7.22%	7.49%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1.00%	1.00%

C. Defined contribution

Contribution to Provident Fund and ESIC recognized as an expense for the year are as under.

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Employers Contribution to Provident Fund	1.52	2.08
Employers Contribution to ESIC	0.12	0.46

32. Tax expense

A. Income tax expense recognized in the Statement of Profit and Loss

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax		
Current tax on profit for the year	155.13	-
Adjustments of tax for earlier years	-	0.83
Tax (Credit) under Minimum Alternative Tax		
MAT Credit Entitlement	(74.39)	-
Deferred tax		
Origination & reversal of temporary differences (refer note D)	175.02	(156.22)
Tax Expense reported in statement of Profit & Loss	255.76	(155.39)

B. Income tax expense / (income) recognized in other comprehensive income (OCI)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax		
Deferred tax (credit)/charge on remeasurements of defined benefit liability	0.92	(0.46)
Tax Expense/(income) on 'OCI'	0.92	(0.46)

Notes to the standalone financial statements

for the year ended 31 March 2024

C. Reconciliation of effective tax rate

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Profit before tax	932.54	(557.01)
"Tax using the Company's statutory tax rate at 16.69% (31 March 2023: 16.69%)"	155.13	-
Effect of :		
Non deductible expenses	-	-
Adjustments of tax for earlier years	-	0.83
MAT Credit Available	(74.39)	-
Origination and Reversal of Temporary difference	175.02	(156.22)
Tax Expense	255.76	(155.39)

D. Deferred Tax Assets and Liabilities

(₹ in lakhs)

Particulars	Deferred Tax (Assets)		Deferred Tax Liability		Net Deferred Tax(Assets)/Liabilities	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Expenditure Allowed on Payment Basis	(9.71)	(8.63)	0.78	-	(8.93)	(8.63)
Provision for Stamp Duty	(10.96)	(10.96)	-	-	(10.96)	(10.96)
Provision for Loss allowance	-	-	(0.92)	0.46	(0.92)	0.46
Depreciation under tax laws over book depreciation	-	-	119.36	105.85	119.36	105.85
Unabsorbed Losses	-	(162.27)	-	-	-	(162.27)
Net Deferred tax (Assets)/ Liabilities	(20.66)	(181.86)	119.22	106.31	98.55	(75.55)
MAT Credit Entitlement	-	-	-	-	(187.76)	113.36
Deferred tax (Assets) / Liabilities	(20.66)	(181.86)	119.22	106.31	(89.21)	(188.91)

33. Operating Segment

The Company is primarily engaged in the development of real estate comprising of residential and commercial projects. Company's performance of operation as defined in Ind AS 108 are evaluated as a whole by chief operating decision maker ('CODM') of the company based on which development of real estate activities are considered as a single operating segment. The Company reports geographical segment which is based on the areas in which major operating divisions of the company operate and the entire operations are based only in India. None of the customers for the year ended 31 March 2024 constituted 10% or more of the Total revenue of the company.

Notes to the standalone financial statements

for the year ended 31 March 2024

34. Commitments and Contingent Liability

I) Commitments

There are no commitments as at 31 March 2024 as well as 31 March 2023

II) Contingent Liabilities

- A. The company has received opinion from the office of the superintendent under Gujarat Stamp Act, 1958 wherein it has assessed Stamp Duty amounting to ₹ 651.88 Lakhs with reference to demerger transaction undertaken by the company vide National Company Law Tribunal, Order No. CP(CAA) No. 56/NCLT/AHM/2018 and CA(CAA) No. 14/NCLT/AHM/2018. Based on Legal Opinion, the company has filed writ petition in Hon. Gujarat High Court vide Special Civil Application No. 1042/2023 against the said assessed duty. Moreover, based on the legal opinion, the company has made provision of stamp duty amounting to ₹ 39.38 Lakhs in the books of accounts. The said liability will be discharged once final assessment order is issued by the stamp duty authority.
- B. The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The Company has provided the impact of the said supreme court judgement with effect from 1 January 2020. In view of the management, any additional liability for the period from date of the SC order (28 February 2019) to 31 December 2019 is not material and hence have not been provided in the books of account. In addition, management is of the view that there is a considerable uncertainty around the timing and extent in which the judgement will be interpreted and applied by the regulatory authorities and accordingly, the impact for periods prior to the date SC order (28 February 2019), if any, is not ascertainable and consequently no financial effect has been provided for in the standalone financial statements. Accordingly, this has been disclosed as a contingent liability in the standalone financial statements.
- C. The company has Provided Bank Gurantee of ₹ 835.00 lakhs as at 31 March 2024 and has not provided any corporate guarantees or any security 31 March 2023 for loans or any other financial aid obtained by its associate or by any other person.
- D. In the above cases, settlement of liability may result in outflow of additional cash than the amount disclosed in the note as contingent liabilities owing to interest component on such liability outstanding. Wherever interest rate is determinable for any specific liability, the amount so disclosed is after considering interest on such liability up to the reporting date.

Notes to the standalone financial statements

for the year ended 31 March 2024

35. Financial Instruments - Fair Values And Risk Measurements

A. Accounting classification and fair values

The carrying amounts and fair values of financial instruments by class are as follows:-

(₹ in lakhs)

As at 31 March 2024	Carrying amount				Fair value			
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amor-tized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Signifi-cant ob-servable inputs	Level 3 - Significant unobserv-able inputs	Total
Financial asset								
Loan								
- Current	-	-	1,920.00	1,920.00	-	-	-	-
Investment								
- Non - Cur-rent (note 1)		80.24	3.80	84.04			80.24	80.24
- Current	-	-	-	-	-	-	-	-
Other Financial Assets			1,315.00	1,315.00	-	-	-	-
Trade receiv-ables	-	-	63.19	63.19	-	-	-	-
Cash and cash equivalent	-	-	1,372.35	1,372.35	-	-	-	-
Other financial assets								
- Current	-	-	2,116.56	2,116.56	-	-	-	-
	-	80.24	6,790.90	6,871.14	-	-	80.24	80.24
Financial liabilities								
Borrowings								
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	458.98	458.98	-	-	-	-
Lease Liability								
- Non-current	-	-	74.65	74.65	-	-	-	-
- Current	-	-	16.49	16.49	-	-	-	-
Other financial liability								
- Non-current	-	-	211.41	211.41	-	-	-	-
- Current	-	-	236.80	236.80	-	-	-	-
	-	-	998.34	998.34	-	-	-	-

Notes to the standalone financial statements

for the year ended 31 March 2024

(₹ in lakhs)

As at 31 March 2023	Carrying amount				Fair value			
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amor-tized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Signifi-cant ob-servable inputs	Level 3 - Significant unobserv-able inputs	Total
Financial asset								
Loan								
- Current	-	-	2,189.96	2,189.96	-	-	-	-
Investment								
- Non - Cur-rent (note 1)			3.80	3.80				
- Current	306.86	-	-	306.86	306.86	-	-	306.86
Other Financial Assets	-	-	205.00	205.00	-	-	-	-
Trade receiv-ables	-	-	4.50	4.50	-	-	-	-
Cash and cash equivalent	-	-	1,162.08	1,162.08	-	-	-	-
Other financial assets								
- Current	-	-	5.00	5.00	-	-	-	-
	306.86	-	3,570.34	3,877.20	306.86	-	-	306.86
Financial lia-bilities								
Trade payable	-	-	838.52	838.52	-	-	-	-
Other financial liability								
- Non-current	-	-	461.50	461.50	-	-	-	-
- Current	-	-	101.62	101.62	-	-	-	-
	-	-	1,401.64	1,401.64	-	-	-	-

*Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Note 1: Investments in associate, joint ventures and subsidiary have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

Notes to the standalone financial statements

for the year ended 31 March 2024

Fair value hierarchy

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

The categories used are as follows:-

Input Level I (Directly Observable) : which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges.

Input Level II (Indirectly Observable) : which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses, etc.

Input Level III (Unobservable): which includes management's own assumptions for arriving at a fair value such as projected cash flow used to value a business, etc.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The fair value of the investment in quoted investment in equity shares is based on the current bid price of investment at balance sheet date

ii) Transfer between Level I and II

There has been no transfer in between Level I and Level II

iii) Level III fair values

There are no items in Level III fair values.

C. Financial risk management

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors evaluate and exercise independent control over the entire process of risk management. The board also recommends risk management objectives and policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the standalone financial statements

for the year ended 31 March 2024

i) Credit risk

Credit risk is the risk that a 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 primarily trade receivables and other financial assets including deposits with banks. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counter parties.

Other Financial Assets

This comprises mainly of deposits with banks and retention money receivables. Credit risk arising from deposits with banks is limited as the counterparties are banks . Banks have high credit ratings assigned by the credit rating agencies. Credit risk arising from retention money is included in trade receivables.

Trade and other receivable

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Credit limits are established for all customers based on flat booking terms. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed economically.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 -Financial instruments. The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportion of expected credit loss provided for across the ageing buckets is summarised below:

Impairment

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. The calculation is based on defined percentage based on past experiences in the business ascertained by the management.

Summary of the company's exposure to credit risk from various customer is as follows:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Trade Receivable	67.69	8.00
Less: Allowances for Credit losses	(4.50)	(3.50)
Net Trade Receivable	63.19	4.50

Movement in the allowances for Credit losses in respect of trade and other receivables are as follows:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	3.50	-
Provision / (Reversal) during the year (net)	1.00	3.50
Balance at the end of the year	4.50	3.50

Notes to the standalone financial statements

for the year ended 31 March 2024

Cash and bank balances

The Company is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Company believes that its credit risk in respect to cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre-determined interest rates for specified period of time. For cash and cash equivalents and other bank balances, only high rated banks are accepted.

Other Financial Assets

Other financial assets includes loan to employees and related parties, security deposits, etc. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are group companies, banks. Banks have high credit ratings assigned by the international credit rating agencies.

ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In addition to the Company's own liquidity, it enjoys credit facilities with the reputed bank and financial institutions.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flow. The Company's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

Exposure to liquidity risk

(₹ in lakhs)

31 March 2024	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payable	458.98	-	458.98	-	-	-
Lease Liabilities						
- Non-current	74.65	-	-	18.20	56.45	-
- Current	16.49	-	16.49			
Other financial Liabilities						
- Non-current	211.41	-	-	-	211.41	-
- Current	236.80	-	236.80	-	-	-

(₹ in lakhs)

31 March 2023	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payable	838.52	-	838.52	-	-	-
Other financial Liabilities						
- Non-current	461.50	-	-	-	461.50	-
- Current	101.62	-	101.62	-	-	-

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for the year ended 31 March 2024

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and debt. The company does not have any foreign currency exposure as at balance sheet date. Accordingly, company does not have currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company's liquidity and borrowing are managed by professional at senior management level. The interest rate exposure of the Company is reduced by matching the duration of investments and borrowings. The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Fixed-rate instrument		
Financial asset	6,324.78	2,399.96
Financial Liabilities	-	-
Floating-rate instrument		
Financial asset	-	306.86
Financial Liabilities	17.70	-

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in lakhs)

Particulars	Increase on profit/ (loss) after tax
31 March 2024	
Increase in 100 basis point	(0.18)
Decrease in 100 basis point	0.18
31 March 2023	
Increase in 100 basis point	3.06
Decrease in 100 basis point	(3.06)

36. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'Debt' to 'Equity'. For this purpose, 'Debt' is meant to include long-term borrowings, short-term borrowings and current maturities of long-term borrowings. 'Equity' comprises all components of equity. The Company's debt to equity ratio as at the end of the reporting periods are as follows:

Notes to the standalone financial statements

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Total debt	17.70	-
Less : Cash and bank balances	1,372.35	1,162.08
Adjusted net debt	(1,354.65)	(1,162.08)
Total equity	12,979.11	12,304.72
Debt to equity (net)	(0.10)	(0.09)

37. Leases

a) As a Lessor

The Company's significant leasing arrangements are in respect of operating leases for commercial premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The aggregate lease rental income including maintenance of ₹ 70.26 Lakhs (31 March 2023: Nil) lakhs is accounted in the statement of profit and loss.

There are no contingent rents which are recognised in statement of profit and loss. The future minimum lease receivables of non-cancellable operating leases are as under:

Future minimum lease receipts under operating leases :

(₹ in lakhs)

Particulars	As At 31 March 2024	As At 31 March 2023
Not Later than 1 Year	258.53	-
Later than 1 year and not later than 5 years	1,295.71	-
Later than 5 years	-	-

b) As a Lessee

The company has taken office premises on lease. The terms of lease includes terms of renewals, increase in rent in future periods, terms of cancellation, etc. The agreement is executed for a period of 3 years with a renewable clause and also provide for termination at will by either party giving a prior notice of 1 months at any time during the lease term and hence considered the same to be of short term lease in nature under Ind AS 116. Accordingly, no further disclosures are applicable.

Lease rental expense debited to statement of profit and loss is ₹ 2.13 lakhs (31 March 2023 : ₹ 2.10lakhs)

(i) The following is the movement in lease liabilities during the year ended March 31,2024

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balances	-	-
Additions on account of transition to Ind AS 116	98.88	-
Add:Interest Expense	2.47	-
Less:Payments	10.21	-
Closing Balances	91.14	-
Non-Current	74.65	-
Current	16.49	-

Notes to the standalone financial statements

for the year ended 31 March 2024

(ii) Amounts recognised in Statement of Profit and Loss Account

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Amortization for right-of-use assets	4.94	-
Interest on lease liabilities	2.47	-
Total	7.41	-

(iii) Maturity Analysis of lease liabilities, showing the undiscounted lease payments after the reporting date:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 12 Months	25.00	-
More than 12 Months	89.79	-

38. Disclosure as per Ind AS 115

(a) Disaggregation of revenue from contracts with customers

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue		
Development of projects - with construction	8,961.95	101.08
Total	8,961.95	101.08

(b) Contract assets

The contract assets represents amount due from customers which primarily relate to the company's right to consideration for work executed but not billed at the reporting date. The contract asset are transferred to receivable when the rights become unconditional i.e. when invoice is raised on achievement of contractual milestones. This usually occurs when the company issues an invoice to the customer. The contract liabilities primarily represent advance received from customer for which invoice are yet to be raised on customers pending achievement of milestone.

The following table provides information about trade receivables, contract assets and contract liabilities from the customer:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade Receivable	63.19	4.50
Contract Assets	-	-
Contract Liabilities		
- Advance from Customer	8,779.94	5,083.67

Notes to the standalone financial statements

for the year ended 31 March 2024

Changes in contract asset during the year are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at 1st April	-	-
Unbilled revenue for the year	-	-
Contract Asset reclassified to trade receivables	-	-
Balance as at 31st March	-	-

Changes in contract liabilities during the year are as follows:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at 1st April	5,083.67	-
Less: Amount adjusted against billings made during the year	8,961.95	-
Add: Advances received during the year	12,658.23	5,083.67
Balance as at 31st March	8,779.94	5,083.67

Performance obligation

The Company is engaged primarily in the business of real estate construction, development and other related activities.

All the Contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (goods or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers". Amounts or Contract Assets received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the BalanceSheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes duefor payment.

(i) Transaction price allocated to remaining performance obligations

The transaction price allocated to remaining performance obligations (unsatisfies or partially satisfied) is as follows:

(₹ in lakhs)

Particulars	Within One Year	More Than One Year	Total
Revenue from Construction and Development of Projects	8,779.94	-	8,779.94

Notes to the standalone financial statements

for the year ended 31 March 2024

(ii) Reconciliation of contract revenue recognised in the Statement of Profit and Loss

There are no adjustments made to the contracted price with customers which need to be reconciled to revenue recognized in the statement of profit and loss. The revenue is recognised over a period of time in accordance with the principles outlined in Ind AS 115.

(iii) Movement of Expected Credit Loss during the year

For the year ended 31 Mar 2024, ₹ 4.50 Lakhs (31 Mar 2023, ₹ 3.50 Lakhs) was recognised as provision for expected credit losses on Trade Receivables.

Notes to the standalone financial statements

for the year ended 31 March 2024

Note No. 39 Ratio analysis

Sr. No.	Ratio	Numerator	Denominator	FY 2023-24		FY 2022-23		31st March 2024	31st March 2023	% Variance	Reason for variance
				Numerator	Denominator	Numerator	Denominator				
1	Current ratio	Current Assets	Current Liabilities	18,178.25	9,902.81	16,322.73	6,246.47	1.84	2.61	(29.80%)	On account of increase in contract liability (Refer note number 36)
2	Debt equity ratio	Total Debt	Shareholder's Equity	17.70	12,979.11	-	12,304.72	0.00	-	-	
3	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc	Interest & Lease Payments + Principal Repayments	1,531.48	8.36	(563.13)	-	183.19	-	-	
4	Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Shareholder's Equity	676.78	12,979.11	(401.62)	12,304.72	0.05	(0.03)	259.8%	On account of revenue recognition in two Projects of the company.
5	Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	9,071.31	9,576.77	100.67	8,416.80	0.95	0.01	7819.4%	On account of revenue recognition in two Projects of the company.
6	Trade receivable turnover ratio	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	9,071.31	33.84	100.67	33.75	268.03	2.98	8885.6%	On account of revenue recognition in two Projects of the company.
7	Trade payable turnover ratio	Cost of material consumed and project expenses	Average Accounts Payable	6,548.94	648.75	75.04	557.45	10.09	0.13	7399.2%	On account of revenue recognition in two Projects of the company.
8	Net capital turnover	Revenue from operations	Working capital	9,071.31	8,275.44	100.67	10,076.27	1.10	0.01	10871.7%	On account of revenue recognition in two Projects of the company.
9	Net profit ratio	Net Profit	Net Sales	676.78	9,071.31	(401.62)	100.67	7.46%	(398.94%)	101.9%	On account of revenue recognition in two Projects of the company.
10	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability) Or Total Assets - Current Liabilities	1,409.59	12,907.60	(556.58)	12,115.81	10.92%	(4.59%)	337.7%	On account of revenue recognition in two Projects of the company.
11	Return on investment	Return	Investment	187.65	4,404.79	3.62	515.00	0.04	0.01	5.06%	

Notes to the standalone financial statements

for the year ended 31 March 2024

40. Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Regulations, 2015 and Section 186(4) of the Companies Act, 2013).

(₹ in lakhs)

Particulars	As at 31 March 2024	Maximum balance outstanding during 2023-24	As at 31 March 2023	Maximum balance outstanding during 2022-23
Details of loans given:				
Ginger Properties Pvt. Ltd.	446.17	446.17	573.02	573.02
Modi Buildwell Ltd	-	-	-	254.46
Signet Vyapaar Pvt Ltd	541.25	541.25	496.56	496.56
Romanovia Industrial Park Pvt. Ltd.	932.58	932.58	-	-
Suresh Thakkar	-	1,120.38	1,120.38	1,120.38

All loans are given for the purposes of the business and are repayable as per agreed schedule of repayment.

Details of Investments made by the company are given in Note 6.

41. No Material event have occurred between the Balance sheet date to the date of issue of this standalone financial statement that could affect the values stated in the financials statements as at 31 March 2024

42. Other Statutory Information

- The Company has not availed loans from banks on the basis of security of current assets.
- The company has not been declared a wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
- The company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods.
- There is no immovable property whose title deed is not held in the name of the company.
- There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- The company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
- The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company has not entered into any transaction with struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Further, there is no balance outstanding with struck off companies.

Notes to the standalone financial statements

for the year ended 31 March 2024

43. The figures for the previous year have been regrouped/reclassified wherever necessary to confirm with the current year's classification.

44. Audit Trail

As per the requirements of Rule 3(1) of the Companies (Accounts) Rules 2014, the Company uses an accounting software for maintaining its books of account that have a feature of, recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year. In respect of aforesaid accounting software, after thorough testing and validation, it was noted that audit trail was not available for changes made in master data. In respect of master data changes, the Company has established and maintained an adequate internal control framework and based on its assessment, believes that this was effective for the year ended 31 March 2024.

As per our report of even date attached

For Dhirubhai Shah & Co. LLP

Chartered Accountants
Firm's Registration No: 102511W/W100298

Parth S Dadawala

Partner
Membership No: 134475

Place : Ahmedabad
Date : 09 May 2024

For and on behalf of the Board of Directors of Nila Spaces Limited

CIN No. :L45100GJ2000PLC083204

Deep Vadodaria

Wholetime Director
DIN : 01749361

Prashant H Sarkhedi
Chief Financial Officer

Place : Ahmedabad
Date : 09 May 2024

Anand B Patel

Director
DIN : 07272892

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Independent Auditors' Report

To the Members of Nila Spaces Limited

I. Report on the Audit of the Consolidated Financial Statements

1. Opinion

A We have audited the accompanying Consolidated Financial Statements of NILA SPACES LIMITED ('the Holding Company', together referred to as the 'Group'), its associate and its joint ventures, as listed in annexure I, which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

B 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 other auditors on separate financial statements of associate, and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at 31 March 2024, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

2. Basis for Opinion

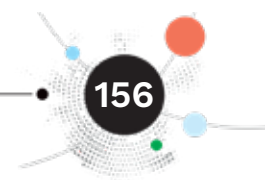
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained and evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion

3. Key Audit Matters

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

The key audit matter	How the matter was addressed in our audit
Ind AS 115-Revenue from contract with customers (as described in note no. 3(i) of financial statements)	
Revenue from real-estate contracts is recognised over a period of time in accordance with the requirements of Ind AS 115 using the percentage of completion method. This determination is based on the proportion that contract costs actually incurred, bear to the estimated total contract cost, and requires significant judgements, including estimate of balance costs to complete, identification of contractual obligations, the group's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price.	Our Audit procedures included, among others: <ul style="list-style-type: none"> • We read the accounting policy for revenue recognition of the group and assessed compliance with the requirements of Ind AS 115. • We assessed the management evaluation of recognizing revenue from real estate contracts over a period of time in accordance with the requirements under Ind AS 115. • We tested controls over revenue recognition with specific focus on determination of percentage of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations.

<p>Revenue Recognition is significant to the financial statements based on the quantitative materiality. The application of percentage of completion method involves significant judgement as explained above. Accordingly, we regard these as key audit matter.</p>	<ul style="list-style-type: none"> • We inspected a sample of underlying customer contracts, performed retrospective assessment of costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs-to-complete and consequential determination of stage of completion. • We tested controls and management processes pertaining to recognition of revenue over a period of time in case of real estate projects. • We performed test of details, on a sample basis, and inspected the underlying customer contracts/agreements evidencing the transfer of control of the asset to the customer based on which revenue is recognized over a period of time. • We assessed the disclosures included in financial statements, as specified in Ind AS 115.
<p>Assessing the carrying value of inventory and advances paid towards land procurement</p>	<p>How the matter was addressed in our audit</p>
<p>Ind AS 2-Inventories (as described in note no. 3(l) of financial statements)</p>	
<p>As at 31 March 2024, the carrying value of the inventory of on-going and completed real-estate projects is 4181.81 lakhs.</p> <p>The inventories are held at the lower of the cost and net realisable value (“NRV”). The determination of NRV involves estimates based on prevailing market conditions and taking into account the stage of completion of the inventory, the estimated future selling price, cost to complete projects and selling costs. Advances paid by the group for acquisition of land are recognised as Inventories. With respect to these advances, the net recoverable value is based on the management’s estimates and internal documentation, which include, among other things, the likelihood when the land acquisition would be completed, the expected date of plan approvals for commencement of project and the estimation of sale prices and construction costs. We identified the assessment of the carrying value of inventory and land advances as a key audit matter due to the significance of the balance to the financial statements as a whole and the involvement of estimates and judgement in the assessment.</p>	<ul style="list-style-type: none"> • We evaluated the design and internal controls related to testing recoverable amounts with carrying amount of inventory and advances, including evaluating management processes for estimating future costs to complete projects. • As regards NRV, compared costs incurred and estimates of future cost to complete the project with costs of similar projects and compared NRV to recent sales or to the estimated selling price. <p>For Advance for land, as a part of audit procedures we,</p> <ul style="list-style-type: none"> • Read the documentation relating to the advance paid and obtained management’s the status of the advance. • Obtained and assessed management’s assumptions relating to the proposed projects, estimated time frame, and forecast sales.



4. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

A The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

B In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

5. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company, and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures is responsible for overseeing the financial reporting process of each entity.

6. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- i) Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- v) 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.
- vi) Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by 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. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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 auditors' 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.



7. Other Matters

a. The Statement includes financial result of an associate company which reflects group's share of net profit / (loss) after tax of ₹ (12.99) lakhs and total comprehensive income of ₹ (12.99) lakhs for the year ended 31 March, 2024, as considered in the consolidated audited financial results, in respect of one associate, based on their audited financial results, which are audited by other auditors. These financial statements have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the statement, in so far it relates to the amount and disclosure in respect of associate is solely based on report of the said auditors and the procedure performed by us as stated in the paragraph above.

Our opinion on the consolidated financial statement is not modified in respect to our reliance on the work done and report of the other auditors as referred in para above.

b. The Statement includes financial result of a joint venture which reflects group's share of net profit / (loss) after tax of ₹ (0.05) lakhs and total comprehensive income of ₹ (0.05) lakhs for the year ended 31 March, 2024, as considered in the consolidated audited financial results, in respect of one joint venture, based on their financial information, which are certified by the management. These financial statements are unaudited and have been certified by the management and our opinion on the statement, in so far it relates to the amount and disclosures in respect of joint venture, is based on solely on such unaudited financial statements. According to the information and explanations given to us by the management, this financial information is not material to the Group. Further, the said investment is ceased to be joint venture on 30 December, 2023. The Company has consolidated the said joint venture till 30th December, 2023.

Our opinion on the consolidated financial results is not modified in respect to our reliance on the financial information certified by the management.

8. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

A We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 and the reports of the management.

C The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS 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 holding company as on March 31, 2024 taken on record by the Board of Directors of holding company and the reports of the statutory auditors of its, associate incorporated in India, none of the directors of the Group companies, its associate incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

F. With respect to the adequacy of the internal financial controls with reference to financial statements of the holding Company, its associate company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls with reference to financial statements.

G With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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 Auditor's) Rules, 2014, in our opinion and 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 on separate financial statements of the associate and joint ventures, as noted in the 'Other Matters' paragraph:

- i. The Group has disclosed the impact of pending litigations on its financial position in its Financial Statements. Refer Note No. 34 of Consolidated Financial Statement.
- ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its associate during the year ended 31 March 2024.
- 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 Group 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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on 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 Group has not declared or paid dividend during the year covered by our audit.

- vi. Based on our examination which included test checks and confirmation from ERP vendor, the company, in respect of financial year commenced on 01 April 2024, has used accounting software for maintaining its books of accounts, which has a feature of recording audit trail(edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except the audit trail feature was not available for master data changes as described in note 44 to the financial statements. Further, during the course of our audit, we did not come across any instances of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For, Dhirubhai Shah & Co LLP

Chartered Accountants

Firm's Registration No. 102511W/W100298

Parth S. Dadawala

Partner

Membership number: 134475

ICAI UDIN: 24134475BKANIQ8975

Place: Ahmedabad

Date: 09 May 2024

Annexure – I

Sr. No	Name of Entity	Relationship
1	Nila Spaces Limited	Joint Venture \$
2	Megacity Cinemall Pvt Ltd	Associate

\$ Ceased to be joint venture on 30th December, 2023.

Annexure A to the Independent Auditor's Report

Referred in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Nila Spaces Limited on the consolidated financial statements as of and for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the company and based on the Companies (Auditor's Report) Order, 2020 (CARO) report issued by respective companies' auditor included in the consolidated financial statement to which reporting under CARO is applicable, as furnished to us by the management and to the best of our knowledge and belief, we state that:

(xxi) As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

Sr. No	Name of Company	Relationship with Group	Clause Number of CARO Report which is remarks reported
1	Nila Spaces Limited	Holding Company	iii, vii

For, Dhirubhai Shah & Co LLP
Chartered Accountants
Firm's Registration No. 102511W/W100298

Place: Ahmedabad
Date: 09 May 2024

Parth S. Dadawala
Partner
Membership number: 134475
ICAI UDIN: 24134475BKANIQ8975

Annexure - B

Independent Auditors' report on the Consolidated financial statements of Nila Spaces Limited for the year ended 31 March 2024.

Report on the internal financial controls with reference to the aforesaid Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (Referred to in paragraph l(A)(t) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. Opinion

In conjunction with our audit of the consolidated financial statements of the Nila Spaces Limited as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to consolidated financial statements of Nila Spaces Limited (hereinafter referred to as "the Holding Company") and one associate company to which requirements of the Act are applicable, as of that date.

In our opinion, the Holding Company and one associate company to which requirements of the Act are applicable, have, in all material respects, adequate internal financial controls and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls criteria established by such companies considering the essential components of such 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 (the "Guidance Note").

2. Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

3. Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls and their operating effectiveness. Our audit of internal financial controls included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 associate company, to which requirements of the Act are applicable, 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 with reference to consolidated financial statements.

4. Meaning of Internal Financial controls with Reference to Financial Statements

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

5. Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls, 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 to future periods are subject to the risk that the internal financial controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one associate company, to which requirements of the Act are applicable, is based on the corresponding reports of the auditors of such companies incorporated in India.

For, Dhirubhai Shah & Co LLP
Chartered Accountants
Firm's Registration No. 102511W/W100298

Parth S. Dadawala
Partner
Membership number: 134475
ICAI UDIN: 24134475BKANIQ8975

Place: Ahmedabad
Date: 09 May 2024

Consolidated Balance Sheet

as at 31 March 2024

(₹ in lakhs)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	2,521.03	23.68
(b) Investment properties	5	649.98	661.07
(c) Financial assets			
(i) Investments	6	85.08	656.22
(ii) Other financial assets	8	1,315.00	205.00
(d) Other non current assets	9	152.27	93.44
(e) Deferred Tax Asset (net)	32D	89.21	188.91
Total non-current assets		4,812.57	1,828.32
Current assets			
(a) Inventories	10	9,277.89	9,875.66
(b) Financial assets			
(i) Trade receivables	11	63.19	4.50
(ii) Cash and cash equivalents	12	1,372.35	1,162.08
(iii) Bank balances other than (ii) above	12	2,116.56	5.00
(iv) Investment	6	-	306.86
(v) Loans	7	1,920.00	2,189.96
(c) Other current assets	13	3,418.62	2,744.94
(d) Current Tax Asset (net)	14	9.64	33.73
Total current assets		18,178.25	16,322.73
Total assets		22,990.82	18,151.05
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	3,938.89	3,938.89
(b) Other equity	16	8,819.20	7,479.33
Total equity		12,758.09	11,418.22
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	10.82	-
(ii) Lease Liability	18	74.65	-
(iii) Other financial liabilities	20	211.41	461.50
(b) Provisions	22	33.04	24.86
Total non-current liabilities		329.92	486.36
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	6.88	-
(ii) Trade payables			
(a) Due to micro and small enterprises	19	42.66	35.85
(b) Due to others	19	416.32	802.67
(iii) Lease Liability	18	16.49	-
(iv) Other financial liabilities	20	236.80	101.62
(b) Other current liabilities	21	8,834.51	5,195.87
(c) Provisions	22	349.15	110.46
Total current liabilities		9,902.81	6,246.47
Total liabilities		10,232.73	6,732.83
Total equity and liabilities		22,990.82	18,151.05

The accompanying notes 1 to 46 form an integral part of these Consolidated financial statements.

As per our report of even date attached

For Dhirubhai Shah & Co. LLP
Chartered Accountants
Firm's Registration No: 102511W/W100298

**For and on behalf of the Board of Directors of
Nila Spaces Limited**
CIN No. :L45100GJ2000PLC083204

Parth S Dadawala
Partner
Membership No: 134475

Deep Vadodaria
Wholetime Director
DIN : 01749361

Anand B Patel
Director
DIN : 07272892

Prashant H Sarkhedi
Chief Financial Officer

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	23	9,071.36	101.08
Other income	24	1,111.06	241.64
Total income		10,182.42	342.72
Expenses			
Cost of material consumed and project expenses	25	6,548.94	75.04
Employee benefits expenses	26	286.38	124.36
Finance costs	27	477.05	0.44
Depreciation	4-5	121.89	11.21
Other expenses	28	1,137.10	688.27
Total expenses		8,571.36	899.32
Profit before share of profit from joint venture, associates & tax		1,611.06	(556.60)
Share of profit / (loss) from JV and Associates		(13.04)	(5.02)
Profit before tax		1,598.02	(561.62)
Tax expense:			
(a) Current Tax	32	155.13	-
(b) MAT Credit Entitlement	32	(74.39)	-
(c) Adjustments of tax for earlier years	32	-	0.83
(d) Deferred tax charge/(credit) (net)	32	175.02	(156.22)
Tax Expense		255.76	(155.39)
Profit for the year		1,342.26	(406.23)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of post-employment benefit obligation	16	(3.31)	1.66
Income tax relating to these items	16	0.92	(0.46)
Other comprehensive income for the year, net of tax		(2.39)	1.20
Total comprehensive income for the year		1,339.87	(405.03)
Earnings per equity share (Face value ₹ 1 per share)			
Basic	29	0.34	(0.10)
Diluted	29	0.34	(0.10)

The accompanying notes 1 to 46 form an integral part of these Consolidated financial statements.

As per our report of even date attached

For Dhirubhai Shah & Co. LLP
Chartered Accountants
Firm's Registration No: 102511W/W100298

**For and on behalf of the Board of Directors of
Nila Spaces Limited**
CIN No. :L45100GJ2000PLC083204

Parth S Dadawala
Partner
Membership No: 134475

Deep Vadodaria
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DIN : 01749361

Anand B Patel
Director
DIN : 07272892

Prashant H Sarkhedi
Chief Financial Officer

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

A. Equity share capital (Refer Note No. 15)

(₹ in lakhs)

Particulars	Balance at the beginning of the year	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current period	Changes in equity share capital during the year	Balance at the end of the year
As at 31 March 2023	3,938.89	-	3,938.89	-	3,938.89
As at 31 March 2024	3,938.89	-	3,938.89	-	3,938.89

B. Other Equity (Refer Note No. 16)

(₹ in lakhs)

Particulars	Reserves and Surplus				Total
	Retained earnings	Capital reserve	Securities premium account	General reserve	
Balance as at 01 April 2022	323.11	7,547.55	5.80	7.90	7,884.36
Loss for the year	(406.23)	-	-	-	(406.23)
Items of other comprehensive income					
Remeasurement of post-employment benefit obligation (net of taxes)	1.20	-	-	-	1.20
Balance as at 31 March 2023	(81.92)	7,547.55	5.80	7.90	7,479.33
Profit for the year	1,342.26	-	-	-	1,342.26
Items of other comprehensive income					
Remeasurement of post-employment benefit obligation (net of taxes)	(2.39)	-	-	-	(2.39)
Balance as at 31 March 2024	1,257.95	7,547.55	5.80	7.90	8,819.20

The accompanying notes 1 to 46 form an integral part of these Consolidated financial statements.

As per our report of even date attached

For Dhirubhai Shah & Co. LLP

Chartered Accountants
Firm's Registration No: 102511W/W100298

Parth S Dadawala

Partner
Membership No: 134475

Place : Ahmedabad
Date : 09 May 2024

For and on behalf of the Board of Directors of

Nila Spaces Limited
CIN No. :L45100GJ2000PLC083204

Deep Vadodaria

Wholetime Director
DIN : 01749361

Place : Ahmedabad
Date : 09 May 2024

Anand B Patel

Director
DIN : 07272892

Place : Ahmedabad
Date : 09 May 2024

Prashant H Sarkhedi
Chief Financial Officer

Gopi V Dave
Company Secretary

Consolidated Statement of Cash Flow

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Profit/(Loss) before tax	1,598.02	(561.62)
Adjustments for:		
Finance cost	477.05	0.44
Depreciation	124.61	11.91
(Profit)/Loss on Sale/discard of fixed asset (net)	-	(17.77)
Share of loss from LLP	13.04	5.02
Allowance for credit losses	1.00	3.50
Interest income	(299.57)	(216.33)
Operating profit/(loss) before working capital changes	1,914.15	(774.85)
Changes in working capital adjustments		
(Increase)/Decrease in Trade Receivables	(59.68)	55.00
(Increase)/Decrease in Other Current Assets	(673.68)	(1,096.67)
(Increase)/Decrease in Other Non Current Assets	(58.82)	(81.97)
(Increase)/Decrease in Inventories	597.77	(2,917.72)
Increase/(Decrease) in Trade Payables	(379.54)	637.58
Increase/(Decrease) in Other Financial Liabilities	(114.91)	234.10
Increase/(Decrease) in Other Current Liabilities	3,638.64	5,182.04
Increase/(Decrease) in Provisions	243.56	113.52
Adjustments for other bank balances	(2,111.56)	(5.00)
Cash generated from / (used in) operations	2995.92	1,346.03
Less: Income taxes paid (net)	(131.05)	(32.96)
Net cash flow from/ (used in) operating activities [A]	2864.87	1,313.07
Cash flow from investing activities		
Purchase of Property, Plant and Equipments	(2,610.88)	(48.08)
Sale of Fixed Asset	-	60.80
(Investment)/Withdrawal of Investment in Joint Ventures	558.09	(0.70)
(Investment)/Withdrawal of Investment in Mutual Fund	306.86	(306.86)
(Investment)/Withdrawal of Investment in Fixed deposit	(1,110.00)	(205.00)
Interest Income	132.43	1.77
Loans (Given to)/Repaid by related Party (net)	(900.00)	-
Loans (Given to)/Repaid by others (net)	1,337.10	275.92
Net cash flow from / (used in) investing activities [B]	(2,286.40)	(222.15)
Cash flow from financing activities		
Proceeds from / (Repayment) of Long Term Borrowings (net)	17.70	-
Increase/(Decrease) in Lease Liabilities	91.14	-
Finance costs paid	(477.05)	(0.44)
Net cash flow from/ (used in) financing activities [C]	(368.21)	(0.44)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	210.27	1,090.48
Cash and cash equivalents at the beginning of the year	1,162.08	71.60
Cash and cash equivalents at end of the year (see note 2)	1,372.35	1,162.08

Consolidated Statement of Cash Flow

for the year ended 31 March 2024

Notes:

- 1 The above statement of Cash Flow has been prepared under "Indirect method" as set out in the Indian Accounting Standard (Ind AS 7) "Statement of Cash Flow".
- 2 Cash and cash equivalents as per above comprise of the following:

(₹ in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash on hand	1.33	0.35
Balance with banks	1,371.02	1,161.73
Cash and cash equivalents	1,372.35	1,162.08

- 3 Changes in liabilities arising from Financing activities, including both changes arising from cash flows and non-cash changes:

Reconciliation of liabilities arising from financing activities

(₹ in lakhs)

Particulars	As at 1 April 2023	Non cash changes	Changes as per Consolidated statement of cash flow	As at 31 March 2024
Borrowings (long term borrowings, short term borrowings & current maturities of long term borrowings)	-	-	17.70	17.70

As per our report of even date attached

For Dhirubhai Shah & Co. LLP
Chartered Accountants
Firm's Registration No: 102511W/W100298

**For and on behalf of the Board of Directors of
Nila Spaces Limited**
CIN No. :L45100GJ2000PLC083204

Parth S Dadawala
Partner
Membership No: 134475

Deep Vadodaria
Wholetime Director
DIN : 01749361

Anand B Patel
Director
DIN : 07272892

Prashant H Sarkhedi
Chief Financial Officer

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Place : Ahmedabad
Date : 09 May 2024

Notes to the consolidated financial statements

for the year ended 31 March, 2024

1. Group overview

Nila Spaces Limited ('the Group') is based in Ahmedabad, Gujarat with its Registered Office situated at 1st Floor, Sambhaav House, Opp. Chief Justice Bungalow, Bodakdev, Ahmedabad - 380015. Nila Spaces Limited is a public Company incorporated on 03 May 2000 and listed on BSE (Bombay Stock Exchange of India Limited) and NSE (National Stock Exchange of India Limited). The Holding Company, together with its joint ventures and associate, collectively referred to as ('the Group') is engaged in the development of real estate comprising of residential and commercial projects. These consolidated financial statements comprise the financial statements of the Holding Company, joint ventures and the associate.

2. Basis of preparation and measurement

2.1. Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements for the year ended 31 March 2024 have been reviewed by audit committee and subsequently approved by Board of Directors at its meetings held on May 09, 2024.

Details of the Group's material accounting policies are included in note 3.

2.2. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is also the Group's functional currency. All the amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3. Basis of Measurement

The consolidated financial statements have been prepared on going Concern basis under the historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.4. Use of estimates and judgments

In preparing this consolidated financial statements, management has made judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and the assumptions that have most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

Note 3(c)&(d) - Useful life used for the purpose of depreciation on property, plant and equipment and investment properties and amortization of intangible assets.

Note 3(f) - Identification of the building as an investment property

Note 3(g) - Impairment of financial and non-financial assets

Note 3(h) - Recognition and measurement of defined benefit obligations, key actuarial assumptions

Notes to the consolidated financial statements

for the year ended 31 March, 2024

- Note 3(i) - Evaluation of percentage completion for the purpose of revenue
- Note 3(j) - Fair value measurement of financial instruments
- Note 3(k) - Current / deferred tax expense and recognition and evaluation of recoverability of deferred tax assets
- Note 3(m) - Provisions and contingencies
- Note 3(q) - Lease classification

2.5. Measurement of fair values

The Group's accounting policies and disclosures requires the measurement of fair values for financial instruments.

The Group has established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entity in the same level of fair value hierarchy as the lowest level input that is significant to the entire measurement.

The group recognizes transfers between the levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 5 - Investment property

Note 35 - Financial instruments

3. Material Accounting Policies

a) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Operating cycle for project related assets and liabilities is the time start of the project to their realization in cash or cash equivalents. Operating cycle for all other assets and liabilities has been considered as twelve months.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

b) Basis of Consolidation

i) Joint ventures and associate

The Group's interest in equity accounted investees comprises interest in joint ventures and associate.

An associate is an entity in which the Group has significant influence but not control or joint control. A joint venture is an arrangement in which the Group has joint control and has the rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures and associates are accounted for using the equity method. They are initially recognized at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit and loss and other comprehensive income of equity accounted investees until the date on which the significant influence or joint control ceases.

When the Group's share of losses in any equity accounted investments equals or exceeds its interest in an entity; the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of other entity.

ii) Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

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

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

iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in full while preparing these consolidated financial statements. Unrealised gains or losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Deferred tax asset or liability is created on any temporary differences that arise from the elimination of profits and losses resulting from intra group transactions.

These Consolidated Financial Statements have been prepared in accordance with the above principles. These comprise of the Holding Company and the following entities –

Name of the Company	Country of Incorporation	Effective % of holding as at 31 March 2024	Effective % of holding as at 31 March 2023
Nila Projects LLP #	India	-	99.97%
Megacity Cinemall Pvt Ltd	India	42.50%	42.50%

ceased to be Joint Venture w.e.f. December 30, 2023. Consolidated up-to December 30, 2023.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

c) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Statement of Profit and Loss.

Subsequent measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as other non-current assets.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss

d) Intangible assets and amortization

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises of its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use.

Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits associated with the expenditure will flow to the Group. All other expenditure is recognized in the Statement of Profit and Loss as incurred

Amortisation

Intangible assets are amortized on a straight-line basis (pro-rata from the date of additions) over estimated useful life of four years.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of intangible assets and is recognized in the Statement of Profit and Loss account.

e) Capital work-in-progress and intangible assets under development

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/intangible assets under development which are not yet ready for their intended use and are carried at cost less accumulated impairment loss, if any.

Depreciation/amortisation is not provided on capital work-in-progress and intangible assets under developments until construction/installation are complete and the asset is ready for its intended use.

f) Investment Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Recognition and measurement

Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation

Depreciation is being provided on a pro-rata basis on the 'Straight Line Method' over the estimated useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. The residual values, useful lives and methods of depreciation of investment properties equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Fair value disclosure

The fair values of investment property is disclosed in the notes. Fair values are determined by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Any gain or loss on disposal of an investment property is recognized in Statement of Profit and Loss.

g) Impairment of non-financial assets

Non-financial assets of the Group, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

Notes to the consolidated financial statements

for the year ended 31 March, 2024

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

h) Employee benefits

Short term employee benefits

Short term employee benefit obligations are measured on an undiscounted expense and are expensed as the related services are provided. A liability is recognized for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards government administered schemes. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the periods during which the services are rendered by the employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed periodically by an independent qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefits is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognized in the Statement of Profit and Loss in the period in which they arise.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

Share-based payments

Employees of the Group receive remuneration in the form of share based payments in consideration of the services rendered.

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognized as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer on the basis Black Scholes model. At the end of each reporting period, apart from the non-market vesting condition, the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised, the Group issues fresh equity shares.

Cancellation of Share based payment is accounted as an acceleration of vesting, and therefore recognize immediately the amount that otherwise would have been recognized for services received over the remainder vesting period. The amount that would have been recognized is based on an estimate on the date of cancellation – i.e. estimating how many instruments are expected to vest at the original vesting date.

i) Revenue recognition

(i) Recognition of Revenue from Real Estate Development:

Revenue is recognized on satisfactory performance obligations in a contract with customers, allocation of transaction price to the performance obligations and recognition of revenue as the performance obligations are satisfied either at a point in time or over a period of time. While recognizing revenue, the cost of land has been allocated in proportion to the percentage of work completed. If the outcome of a construction contract can be estimated reliably, contract revenue is recognized in the Statement of Profit and Loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. Contract costs are recognized as expenses as incurred unless they create an asset is related to future contract activity. An expected loss on a contract is recognized immediately in the Statement of Profit and Loss.

Revenue is recognized in the income statement to the extent that it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably.

(ii) Land and transferrable development rights

Revenue from contracts for sale of land and transferrable development rights is recognized at a point in time when control is transferred to the customer and it is probable that consideration will be collected. This is usually deemed to be legal completion as this is the point at which the Group has an enforceable right to payment. Revenue from sale of land and transferrable development rights is measured at the transaction price specified in the contract with the customer.

(iii) Contract balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognized for the earned consideration that is conditional.

A receivable represents the Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

(iv) Lease rental income

Lease income from operating leases shall be recognized in income on a straight -line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Income from leasing of commercial complex is recognized on an accrual basis in accordance with lease agreements. Refer note 3 (q) for accounting policy on leases.

(v) Share in profit/ loss of Limited liability partnerships (“LLPs”) and partnership firm

The Group’s share in profits from LLPs and partnership firm, where the Group is a partner, is recognized as income in the statement of profit and loss as and when the right to receive its profit/ loss share is established by the Group in accordance with the terms of contract between the Group and the partnership entity.

(vi) Interest Income

Interest income, including income arising from other financial instruments measured at amortised cost, is recognized using the effective interest rate method.

(vii) Dividend Income

Revenue is recognized when the shareholders’ or unit holders’ right to receive payment is established, which is generally when shareholder approve the dividend.

j) Financial instrument

Financial assets

Classification

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

Initial recognition and measurement

On initial recognition, a financial asset is recognized at fair value, in case of financial assets which are recognized at fair value through the Statement of Profit and Loss (FVTPL), its transaction cost is recognized in the Statement of Profit and Loss. In other case, the transaction costs are attributed to the acquisition value of the financial asset.

Subsequent measurement and gains and losses

Financial assets are subsequently classified as measured at

- **Financial assets at amortized cost:** These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

- **Fair value through profit and loss (FVTPL):** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of Profit and Loss.
- **Fair value through other comprehensive income (FVOCI):** These assets are subsequently measured at fair value. Dividends are recognized as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains or losses are recognized in OCI and are not reclassified to the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Group changes its business model for managing financial assets.

Trade receivables and loans

Trade receivables and loans are initially recognized at fair value when they are originated. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Equity instrument

All investments in equity instruments classified under financial assets are initially measured at fair value, the Group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognized as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognized in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognized as 'other income' in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of the financial asset) is primarily derecognized when:

- The right to receive cash flows from the asset have expired; or
- The Group has transferred substantially all the risks and rewards of the asset; or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Group recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognized in Statement of Profit and Loss.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through Statement of Profit and Loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet date if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle them on net basis or to realize the assets and settle the liabilities simultaneously.

k) Income taxes

Income tax comprises of current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) credit is recognized as a deferred tax asset only when and to the extent there is convincing evidence that the group will pay normal tax during the specified period. MAT credit is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

l) Inventories

Inventory comprises of land, Finished Goods of Residential project and land development rights. Land and land development rights are valued at lower of cost or net realizable value. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing cost and other related overhead as the case may be. In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the immediate period, generally, the land is not registered in the name of the Group.

Direct expenditures relating to real estate activity are inventoried. Other expenditure (including borrowing costs) during construction period is inventoried to the extent the expenditure is directly attributable cost of bringing the asset to its working condition for its intended use. Other expenditure (including borrowing costs) incurred during the construction period which is not directly attributable for bringing the asset to its working condition for its intended use is charged to the statement of profit and loss. Direct and other expenditure is determined based on specific identification the real estate activity. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received.

- i. Work- in - progress (including land inventory):** Represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized. Work-in-progress is valued at lower of cost and net realizable value.
- ii. Finished goods – unsold residential unit, commercial unit, plots:** Valued at lower of cost and net realizable value.
- iii. Construction material:** Valued at lower of cost and net realizable value. Cost is determined based on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

m) Provisions and contingencies

A provision is recognized if, as a result of past events, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed in the Notes to the Consolidated Financial Statements. Contingent liabilities are disclosed for:

- possible obligations which will be confirmed only by future events not wholly within the control of the Group, or
- present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

n) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings to the extent they are regarded as an adjustment to the interest cost.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

o) Cash and cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid, which are subject to insignificant risk of changes in value

p) Investments in joint venture and associates

The group has elected to recognise its investments in associate and joint venture companies at cost in accordance with the option available in IND AS 27 Separate Financial Statements

q) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

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

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 3(g) on impairment of non-financial assets.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

ii) Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

II. Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Assets subject to operating leases are included under Investment property.

Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease including lease income on fair value of refundable security deposits, unless the lease agreement explicitly states that increase is on account of inflation. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

r) Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events such as bonus shares, other than conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

In a capitalization or bonus issue or share split, ordinary shares are issued to equity shareholders for no additional consideration. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

Notes to the consolidated financial statements

for the year ended 31 March, 2024

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

t) Advance paid towards land procurement

Advances paid by the Group to the seller/intermediary towards outright purchase of land is recognized as land advance under other assets during the course of obtaining clear and marketable title, free from all encumbrances and transfer of legal title to the Group, whereupon it is transferred to land stock under inventories. Management is of the view that these advances are given under normal trade practices and are neither in the nature of loans nor advance in the nature of loans.

u) Recent accounting pronouncement

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

v) New Amendments not yet adopted by the Group

i. Code on Social Security, 2020:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on 13 November 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

4. Property, Plant and Equipment

(₹ in lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at 1 April 2023	Additions	Deductions	As at 1 April 2023	For the year	Deductions	As at 31 March 2024	As at 1 April 2023
Computer	6.69	41.34	-	0.48	4.89	-	42.66	6.21
Office Equipments	2.16	216.50	-	0.03	10.45	-	208.18	2.13
Plant & Machinery	0.38	24.48	-	0.01	1.12	-	23.73	0.37
Vehicle	1.20	148.88	-	0.38	5.20	-	144.50	0.82
Furniture & Fixtures	14.40	404.36	-	0.25	19.44	-	399.07	14.15
Co- Working Structure	-	1,676.43	-	-	67.48	-	1,608.95	-
Right-of-Use	-	98.88	-	-	4.94	-	93.94	-
Total	24.83	2,610.87	-	1.15	113.52	-	2,521.03	23.68

The company has transferred depreciation amounting to ₹ 2.72 lakhs (31 March 2023 : ₹ 0.69 lakhs) to project WIP for the FY 2023-24.

(₹ in lakhs)

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at 1 April 2022	Additions	Deductions	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 1 April 2022
Computer	-	6.69	-	-	0.48	-	6.21	-
Office Equipments	14.65	2.16	14.65	9.97	0.03	9.97	2.13	4.68
Plant & Machinery	-	0.38	-	-	0.01	-	0.37	-
Vehicle	1.20	-	-	0.27	0.11	-	0.82	0.93
Furniture & Fixtures	-	14.40	-	-	0.25	-	14.15	-
Total	15.85	23.63	14.65	10.24	0.88	9.97	23.68	5.61

The company has transferred depreciation amounting to ₹ 0.69 lakhs (31 March 2022 : NIL) to project WIP for the FY 2022-23.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

5. Investment Properties

(₹ in lakhs)

Particulars	Gross Block		Accumulated Depreciation		Net Block	
	As at 1 April 2023	As at 31 March 2024	As at 1 April 2023	For the year	As at 31 March 2024	As at 1 April 2023
Building & Office Premises	702.08	702.08	41.00	11.09	52.10	661.07
Total	702.08	702.08	41.00	11.09	52.10	661.07

(₹ in lakhs)

Particulars	Gross Block		Accumulated Depreciation		Net Block	
	As at 1 April 2022	As at 31 March 2023	As at 1 April 2022	For the year	As at 31 March 2023	As at 1 April 2022
Building & Office Premises	718.63	702.08	32.64	11.02	41.00	686.00
Total	718.63	702.08	32.64	11.02	41.00	686.00

Amount recognised in statement of profit and Loss from Investment Properties

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Profit from Sale of Investment Properties	-	22.45
Less: Depreciation during the year	11.09	11.02
Total	(11.09)	11.43

Fair Value of Investment Property

The company's Investment Property consist of commercial and residential properties. The fair value of investment property is ₹ 1088.42 Lakhs (31 March 2023: ₹ 1090.88 Lakhs). The valuations is based on valuation performed by an accredited independent valuer and is a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value of the Company's investment properties have been arrived by Market approach using sales comparison method. The fair value measurement of the investment properties has been categorised as Level 3 fair value based on the inputs to the valuation techniques used.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

6. Investments

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Investments in Joint Ventures		
Nila Projects LLP - Fixed Capital	-	10.00
Nila Projects LLP - Fluctuating Capital	-	628.39
	-	638.39
Investments in Associate (using equity method)		
2,33,750 (31 March 2023 : 2,33,750) Equity shares of Mega City Cinemall Pvt. Ltd. of ₹ 10/- each	1.04	14.03
	1.04	14.03
Total Investments in Associate and Joint Venture	1.04	652.42
Investments in Others		
(a) Investment in LLP		
Bagmar Nila Projects (Udaipur) LLP	1.90	1.90
(a) Name of Firm: Bagmar Nila Projects (Udaipur) LLP		
(b) Name of Partners: i) Nila Spaces Limited ii) Mahesh Bagmar iii) Mamta Bagmar		
(C) Profit sharing ratio: (19:72:9) (Previous year 19:72:9)		
Bagmar Nila Projects (Jodhpur) LLP	1.90	1.90
(a) Name of Firm: Bagmar Nila Projects (Jodhpur) LLP		
(b) Name of Partners: i) Nila Spaces Limited ii) Mahesh Bagmar iii) Mamta Bagmar		
(C) Profit sharing ratio: (19:72:9) (Previous year 19:72:9)		
(b) Fair value through Other Comprehensive Income		
Debentures - Samasth Living Pvt. Ltd.	40.00	-
Pref Shares - Samasth Living Pvt. Ltd.	40.24	-
Total Investments in others	84.04	3.80
Total	85.08	656.22
Current		
(a) Fair value through Profit and loss		
Investment in Mutual Fund		
HDFC Money Market Fund - Grow - NIL Unit (31 March 2023 : 6,334.54 Units)	-	306.86
Total	-	306.86
Aggregate value of unquoted investment	85.08	656.22
Aggregate value of quoted investment	-	306.86

Notes to the Consolidated financial statements

for the year ended 31 March 2024

7. Loans

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Unsecured, Considered good		
Loans		
Other than related Parties	987.42	2,189.96
Related Party	932.58	-
Total	1,920.00	2,189.96

Refer note 35 - Financial instruments, fair values and risk measurement

Refer note 30 : Related Party Transactions

8. Other Financial Assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Fixed deposit with Banks having original maturity more than 12 months	1,315.00	205.00
Total	1,315.00	205.00

Refer note 35 - Financial instruments, fair values and risk measurement

9. Other non current assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, Considered good		
Security and other deposits	152.27	93.44
Total	152.27	93.44

10. Inventories

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Work in progress	4,018.66	4,616.43
Finished Goods	163.16	163.16
Land and land development rights	5,096.07	5,096.07
Total	9,277.89	9,875.66

Notes to the Consolidated financial statements

for the year ended 31 March 2024

11. Trade receivables

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Related parties		
Unsecured, considered good	-	-
Other than related parties		
Unsecured, considered good	63.19	4.50
Unsecured, considered doubtful	4.50	3.50
Less : Allowance for credit losses	(4.50)	(3.50)
Total	63.19	4.50

Refer note 35 - Financial instruments, fair values and risk measurement

Refer note 30 - Related party transactions

Ageing of Trade Receivable as at 31 March 2024

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	63.19	-	-	-	-	63.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	4.50	-	4.50
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	63.19	-	-	4.50	-	67.69
Less : Allowance for credit losses	-	-	-	4.50	-	4.50
Total	63.19	-	-	-	-	63.19

Ageing of Trade Receivable as at 31 March 2023

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	-	-	4.50	-	-	4.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	3.50	-	-	3.50

Notes to the Consolidated financial statements

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	-	-	8.00	-	-	8.00
Less : Allowance for credit losses	-	-	3.50	-	-	3.50
Total	-	-	4.50	-	-	4.50

12. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance in current account	397.80	1,161.73
Fixed deposit with Banks having maturity less than 3 months	973.22	-
Cash on hand	1.33	0.35
Total	1,372.35	1,162.08
Other Bank Balances		
Margin money deposit with Bank	1,156.56	5.00
Other bank balance	960.00	-
	2,116.56	5.00
Total	3,488.91	1,167.08

Refer note 35 - Financial instruments, fair values and risk measurement

13. Other current assets

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, Considered good		
Advance for Land Purchase to related party*	1,960.02	1,960.02
Advance to Suppliers	656.86	727.74
Other Current Asset	89.08	1.61
Prepaid expenses	664.01	5.90
Advance to Employees	3.00	4.02
Advance with Government Authorities		
- Goods and service tax receivable	45.65	45.65
Total	3,418.62	2,744.94

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Refer note 30 : Related Party Transactions

* Advance for land purchase though unsecured, are considered good as the advances have been given based on arrangement/Memorandum of understanding executed by the company and the company/seller/intermediary is in the course of obtaining clear and marketable title, free from all encumbrances.

14. Current tax assets (Net)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance payment of tax	164.77	33.73
Less : Current tax liabilities	(155.13)	-
Total	9.64	33.73

15. Equity share capital

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Authorised share capital		
45,00,00,000 (31 March 2023 : 45,00,00,000) Equity shares of ₹ 1/- each fully paid	4,500.00	4,500.00
(b) Issued, Subscribed and Paid-up Capital		
39,38,89,200 (31 March 2023 : 39,38,89,200) Equity shares of ₹ 1/- each fully paid	3,938.89	3,938.89

(c) Reconciliation of Share outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2024		As at 31 March 2023	
	Numbers	₹ in lakhs	Numbers	₹ in lakhs
Balance as at the beginning of the year	39,38,89,200.00	3,938.89	39,38,89,200.00	3,938.89
Issued during the year	-	-	-	-
Balance as at the end of the year	39,38,89,200.00	3,938.89	39,38,89,200.00	3,938.89

(d) Terms / rights attached to Equity shares

- The company has only one single class of equity shares referred to as equity share having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held.
- The Company declares and pay dividend in Indian Rupees. The dividend proposed by the Board of Director is subject to the approval of the Shareholder in the Annual General Meeting except in case of interim dividend.
- In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

(e) Details of shareholders holding more than 5% of Equity shares in the company

Promoter name	As at 31 March 2024		As at 31 March 2023	
	Nos. of shares	% Holding	Nos. of shares	% Holding
Manoj B Vadodaria	4,63,04,712.00	11.75%	5,31,54,712.00	13.49%
Nila M Vadodaria	4,39,55,267.00	11.16%	4,39,55,267.00	11.16%
Kiran B Vadodaria	3,17,58,100.00	8.06%	3,86,08,100.00	9.80%
Alpa K Vadodaria	3,68,00,000.00	9.34%	3,68,00,000.00	9.34%
Deep S Vadodaria	3,17,52,108.00	8.06%	3,17,52,108.00	8.06%
Mina S Vadodaria	2,16,55,000.00	5.50%	2,16,55,000.00	5.50%

(f) Shares held by Promoter's Group at the end of the year

As at 31 March 2024

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% Changes during the year
Manoj B Vadodaria	5,31,54,712.00	(68,50,000.00)	4,63,04,712.00	11.75%	(12.89%)
Nila M Vadodaria	4,39,55,267.00	-	4,39,55,267.00	11.16%	-
Alpa K Vadodaria	3,68,00,000.00	-	3,68,00,000.00	9.34%	-
Kiran B Vadodaria	3,86,08,100.00	(68,50,000.00)	3,17,58,100.00	8.06%	(17.74%)
Deep S Vadodaria	3,17,52,108.00	-	3,17,52,108.00	8.06%	-
Mina S Vadodaria	2,16,55,000.00	-	2,16,55,000.00	5.50%	-
Chhaya R Vadodaria	43,00,000.00	-	43,00,000.00	1.09%	-
Siddharth R Vadodaria	68,00,000.00	-	68,00,000.00	1.73%	-
Karan R Vadodaria	68,00,000.00	-	68,00,000.00	1.73%	-
Neha M Vadodaria	-	68,50,000.00	68,50,000.00	1.74%	100.00%
Kajal K Vadodaria	-	68,50,000.00	68,50,000.00	1.74%	100.00%
Total	24,38,25,187.00	-	24,38,25,187.00	61.89%	-

As at 31 March 2023

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% Changes during the year
Manoj B Vadodaria	5,31,54,712.00	-	5,31,54,712.00	13.49%	-
Nila M Vadodaria	4,39,55,267.00	-	4,39,55,267.00	11.16%	-
Alpa K Vadodaria	3,68,00,000.00	-	3,68,00,000.00	9.34%	-
Kiran B Vadodaria	3,86,08,100.00	-	3,86,08,100.00	9.80%	-
Deep S Vadodaria	3,17,52,108.00	-	3,17,52,108.00	8.06%	-
Shailesh B Vadodaria	1,29,60,000.00	(1,29,60,000.00)	-	-	(100.00%)

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% Changes during the year
Mina S Vadodaria	86,95,000.00	1,29,60,000.00	2,16,55,000.00	5.50%	149.05%
Rajeshbhai B Vadodaria	50,00,000.00	(50,00,000.00)	-	-	(100.00%)
Chhaya R Vadodaria	43,00,000.00	-	43,00,000.00	1.09%	-
Siddharth R Vadodaria	43,00,000.00	25,00,000.00	68,00,000.00	1.73%	58.14%
Karan R Vadodaria	43,00,000.00	25,00,000.00	68,00,000.00	1.73%	58.14%
Total	24,38,25,187.00	-	24,38,25,187.00	61.89%	-

(g) During last 5 years immediately preceding reporting date, the Company has not allotted any (a) Bonus Shares or (b) Shares issued for consideration other than cash.

(h) During last 5 years immediately preceding reporting date, the Company has not bought back any class of shares.

16. Other equity

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Reserves & Surplus		
(i) Retained earnings	1,257.95	(81.92)
(ii) Equity security premium	5.80	5.80
(iii) Capital reserve	7,547.55	7,547.55
(iv) General reserve	7.90	7.90
Total	8,819.20	7,479.33

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Retained earnings		
Profit & loss opening balance	(81.92)	323.11
Profit/(Loss) during the year	1,342.26	(406.23)
Items of other comprehensive income		
Remeasurement of post-employment benefit obligation (net of taxes)	(2.39)	1.20
Total	1,257.95	(81.92)
(ii) Equity security premium	5.80	5.80
(iii) Capital reserve	7,547.55	7,547.55
(iv) General reserve	7.90	7.90
Total	8,819.20	7,479.33

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Nature and purpose of reserves

General Reserve - The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.

Retained Earnings - Retained earnings are the profits that company has earned till date, less any transfer to general reserve, dividends or other distributions paid to the shareholders

Capital Reserve - The excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of Demerger.

Equity Security Premium - Securities premium reserve is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Act.

17. Borrowings

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured loans		
Non Current		
Vehicle Loan	10.82	-
	10.82	-
Current		
Current Maturity of Long Term Debt	6.88	-
	6.88	-
Total	17.70	-

A. Nature of Security

Against hypothecation of vehicle

B. Rate of Interest and Terms of Repayment

(i) The Company has availed secured loan facilities from bank at following rate of interest and repayment schedule

Particulars	Repayment Schedule		
	No. of Installments	Rate of Interest	First Installment Date
Vehicle loan	39	8.60%	07-06-2023

C. Registration of charge or satisfaction with registration of companies

The Company has registered charge or satisfaction with ROC, within Statutory period.

D. Utilisation of Borrowed Funds And Share Premium

As on 31 March 2024, there is no unutilised borrowed funds and securities premium. The securities premium, long-term and short term borrowed funds from banks and financial institutions have been utilised for the specific purpose for which the funds were raised.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

18. Lease Liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Lease Liabilities	74.65	-
	74.65	-
Current		
Lease Liabilities	16.49	-
	16.49	-
Total	91.14	-

19. Trade payables

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Dues to Micro & Small Enterprises (as per the intimation received from vendors) #	42.66	35.85
Dues to others - Trade payables	416.32	802.67
Total	458.98	838.52

#The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company. This has been relied upon by auditors.

Total dues to Micro & Small Enterprises

Particulars	As at 31 March 2024	As at 31 March 2023
Dues to Micro & Small Enterprises (as per the intimation received from vendors)		
A. Principal and interest amount remaining unpaid	42.66	35.85
B. Interest due thereon remaining unpaid	-	-
C. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to supplier beyond the appointed day	-	-
D. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
E. Interest accrued and remaining unpaid	-	-
F. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Ageing of Trade Payable as at 31 March 2024

(₹ in lakhs)

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	42.66	-	-	-	42.66
(ii) Others	-	416.32	-	-	-	416.32
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	458.97	-	-	-	458.97

Ageing of Trade Payable as at 31 March 2023

(₹ in lakhs)

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	35.85	-	-	-	35.85
(ii) Others	-	802.67	-	-	-	802.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	838.52	-	-	-	838.52

20. Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non Current		
Security deposits	211.41	461.50
	211.41	461.50
Current		
Employee related liabilities	3.83	26.18
Retention from Vendors	232.87	75.44
Interest due on borrowings	0.10	-
	236.80	101.62
Total	448.21	563.12

21. Other current liabilities

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance from customer	8,779.94	5,083.67
Statutory dues payable	54.57	112.21
Total	8,834.51	5,195.87

Notes to the Consolidated financial statements

for the year ended 31 March 2024

22. Provisions

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
(a) Provisions for employee benefits		
Gratuity (refer note 31)	22.87	16.84
Leave encashment (refer note 31)	10.17	8.02
	33.04	24.86
Current		
(a) Provisions for employee benefits		
Gratuity (refer note 31)	0.37	0.27
Leave encashment (refer note 31)	0.78	0.60
(b) Provision for expenses		
Provision for Expenses	348.00	109.59
	349.15	110.46
Total	382.19	135.32

23. Revenue from operations

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
A. Sales		
Development of Projects - with construction	8,961.95	101.08
B. Other operating revenue		
Other operating income	109.41	-
Total	9,071.36	101.08

24. Other income

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest Income	978.04	216.33
Profit/(Loss) on Sale of Fixed Asset	-	22.45
Other non-operating income	117.76	38.15
	1,095.80	276.93
Add/(Less): Transferred from/(to) WIP	15.26	(35.29)
Total	1,111.076	241.64

Notes to the Consolidated financial statements

for the year ended 31 March 2024

25. Cost of material consumed and project expenses

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Construction, Material and Labour	3,601.12	2,162.99
Land/Development Rights	1,961.83	343.05
Other Costs	196.49	35.75
	5,759.44	2,541.79
Add/(Less): Transferred from/(to) WIP	789.50	(2,466.75)
Total	6,548.94	75.04

26. Employee benefits expense

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Salaries, allowances and bonus	219.91	161.24
Contribution to provident and other fund (refer note 31)	1.79	2.70
Remuneration and perquisites to directors (refer note 30)	61.89	36.00
Director's Sitting Fees	0.60	0.48
	284.19	200.42
Add/(Less): Transferred from/(to) WIP	2.19	(76.06)
Total	286.38	124.36

27. Finance cost

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest on Borrowings		
- Banks and financial institution	2.01	-
- Others	61.667	37.29
Total Interest on Borrowings(A)	63.678	37.29
Other Borrowing Cost		
- Bank charges	7.55	0.13
-Interest cost*	592.34	9.47
Total Other Borrowing Cost (B)	599.88	9.60
Total Finance cost (A+B)	663.56	46.89
Add/(Less):- Transferred from/(to) WIP	(186.51)	(46.45)
Total	477.05	0.44

* Interest Cost ₹ 592.34 lakhs (31 March 2023 : ₹ 9.47 lakhs) paid on behalf of customers as per contractual arrangement entered with them.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

28. Other expenses

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Legal and professional charges	329.82	461.52
Listing Expenses	11.37	10.18
Rent Expense	8.47	22.37
Repairs and maintenance expenses	22.29	5.00
Insurance	0.44	5.07
Power and fuel expenses	16.83	14.17
Printing and stationery	3.36	4.19
Municipal tax	11.61	3.87
Payment to auditors (exclusive of GST)		
- Audit fees & Other certification fees (refer note 28.1)	3.65	1.75
Advertisement and business promotion expenses	343.05	531.48
Loss on Sale of Fixed Asset	-	4.69
Expected credit Loss	1.00	3.50
Subscriptonal and Membership	4.37	48.89
Miscellaneous expenses	35.29	23.77
GST Expense	123.11	154.01
	914.66	1294.46
Add/(Less): Transferred from/(to) WIP	222.44	(606.19)
Total	1,137.10	688.27

28.1 Payment to Auditor

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Audit Fees	3.65	1.75
Statutory Audit Fees	2.50	1.50
Tax Audit Fees	0.25	0.25
Other Certification fees	0.90	-

Notes to the Consolidated financial statements

for the year ended 31 March 2024

29. Earning per share

Particulars	As at 31 March 2024	As at 31 March 2023
Profit attributable to equity share holders :		
Basic earnings (₹ in lakhs)	1,342.26	(406.23)
Adjusted for the effect of dilution (₹ in lakhs)	1,342.26	(406.23)
Weighted average number of equity shares for:		
Basic	3,938.89	3,938.89
Adjusted for the effect of dilution	3,938.89	3,938.89
Earning per share		
Basic	0.34	(0.10)
Diluted	0.34	(0.10)

30. Related party transactions

(A) Joint ventures :	Nila Projects LLP (Cease to be Joint Venture w.e.f 30 December 2023)
(B) Associates:	Megacity Cinemall Pvt Ltd
(C) Enterprise in which Key Managerial Personnel and Directors have significant influence	Nila Infrastructures Limited Sambhaav Media Limited SML Digital Media Private Limited Sambhaav Nascent LLP Romanovia Industrial Park Pvt Ltd Kent Residential and Industrial Park LLP
(D) Directors	Deep Vadodaria - Whole time Director (w.e.f. 13 May 2023) Prashant H Sarkhedi- Whole time Director (w.e.f. 13 May 2023) Jasvindersingh Rana- Chairman (Cease to be director w.e.f 24 July 2023 due to demise) Rajal B Mehta - Non Executive Director Shrinjay S Joshi - Non Executive Director Anand B Patel -Director (Non Executive Director w.e.f. 13 May 2023) Amit R Chokshi - Non Executive Director (w.e.f 21 August 2023) Kruti M Shah - Non Executive Director (w.e.f 26 August 2023)

Notes to the Consolidated financial statements

for the year ended 31 March 2024

30. Related party transactions

(E) Key Managerial Personnel	Prashant H Sarkhedi-Chief Finance Officer (W.e.f. 13 May 2023) Gopi V Dave - Company Secretary
(F) Close members of key manegerial persons	Parul Prashant Sarkhedi Devang H Sarkhedi

Disclosure of transactions between the Company and Related Parties (Other than Key - managerial personnel) during the year 2023-24

(₹ in lakhs)

Particulars	Transaction Value	
	As at 31 March 2024	As at 31 March 2023
A. Loans (Assets)		
(i) Loans given during the year		
Romanovia Industrial Park Pvt Ltd	900.00	-
(ii) Interest Income received		
Romanovia Industrial Park Pvt Ltd	36.20	-
B. Investments		
(i) Investment withdrawn during the year		
Nila Projects LLP	1,316.86	-
(ii) Investment during the year		
Nila Projects LLP	-	0.70
(iii) Share of Profit/(Loss) during the year		
Nila Projects LLP	(0.05)	(0.41)
Megacity Cinemall Pvt Ltd	(12.99)	(4.61)
C. Other Contracts		
(i) Rent Paid		
Sambhaav Media Limited	2.13	2.10
(ii) Sale of Residential Unit		
Parul Prashant Sarkhedi	-	82.97
Devang H Sarkhedi	65.33	-
(iii) Reimbursement of Expense		
Nila Infrastructures Limited	-	-
Kent Residential & Industrial Park LLP	-	0.35
(iv) Purchase of Goods*		
Nila Infrastructures Limited	-	0.70
(v) Advance given for Land Purchase		
Nila Infrastructures Limited	-	430.00
(vi) Other Transactions		
Nila Infrastructures Limited		
- Employee Benefit on account of Employee transfer in	23.61	-
- Employee Benefit on account of Employee transfer Out	(26.20)	-

* Exclusive of taxes

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Disclosure of the status of outstanding balances between the Company and Related Parties (Other than Key - managerial personnel) as at year end

(₹ in lakhs)

Particulars	Outstanding Balance	
	As at 31 March 2024	As at 31 March 2023
A. Investments		
Megacity Cinemall Pvt Ltd	1.04	14.03
Nila Projects LLP - Fixed Capital	-	10.00
Nila Projects LLP - Fluctuating Capital	-	628.39
B. Advance given for land		
Nila infrastructures Limited	1,960.02	1,960.02
C. Loan		
Romanovia Industrial Park Pvt Ltd	932.58	-
D. Other Transaction		
Nila infrastructures Limited	(2.59)	-

Disclosure of transactions between the Company and Key - managerial personnel during the year 2023-24

Particulars	Transaction Value	
	As at 31 March 2024	As at 31 March 2023
Short term employee benefit		
- Directors	61.89	36.00
- Key Managerial Persons	6.20	12.77
Director sitting fees	0.60	0.48

31. Employee benefits

A. Defined benefit plans:

Gratuity

The Company operates a defined benefit plan (the gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and tenure of employment. The liability in respect of gratuity being defined benefit schemes, payable in future, are determined by actuarial valuation as on balance sheet date.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

In activity of valuation for gratuity following assumptions were used:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Mortality rate	Indian Assured Lives Mortality (2012-14) ultimate	Indian Assured Lives Mortality (2012-14) ultimate
Withdrawal rate	1.00%	1.00%
Retirement age	60 Years	58 Years
Discount rate	7.22%	7.49%
Salary escalation	6.00%	6.00%

The following tables set out the funded status of the gratuity plans and the amounts recognized in the Company's Consolidated financial statements as at 31 March 2024 & 31 March 2023 is set out as status of gratuity plan under Indian Accounting Standard 19 on "Employee Benefit".

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation as at the beginning of the year	17.11	16.41
Interest cost	1.28	1.20
Past service cost	-	-
Liability Transferred In/ Acquisitions (Liability Transferred Out/ Divestments)	17.63 (18.16)	
Current service cost	2.08	1.80
Actuarial loss/(gain) due to change in financial assumptions	0.78	(0.38)
Actuarial loss/(gain) due to change in demographic assumptions	-	-
Actuarial loss/(gain) due to experience adjustments	2.52	(1.28)
benefits paid	-	(0.64)
Present value of defined benefit obligation as at the end of the year	23.24	17.11
Amount recognized in the balance sheet		
Fair value of plan assets as at the end of the year	-	-
Present value of defined benefit obligation as at the end of the year	23.24	17.10
Net obligation as at end of year	23.24	17.10
Non current	22.87	16.84
Current	0.37	0.27
Expenses recognized in the statement of profit and loss under the head employee benefit expenses		
Service cost	2.08	1.80
Interest Expense	1.28	1.20
Past service cost	-	-
Net expense recognized in employee benefit expenses	3.36	3.00

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Particulars	As at 31 March 2024	As at 31 March 2023
Expenses recognized in other comprehensive income for the year		
Remeasurment due to:		
Actuarial loss on obligations - due to change in financial assumptions	0.78	(0.38)
Actuarial (gain) on obligations - due to change in demographic assumptions	-	-
Actuarial loss/(gain) on obligations - due to experience adjustments	2.52	(1.28)
Net expense/(income) recognized in other comprehensive income	3.31	(1.66)

Sensitivity analysis

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	Increase	Increase	Decrease	Decrease
Discount rate (1% movement)	(2.72)	(1.73)	3.28	2.05
Salary growth rate (1% movement)	2.41	2.06	(2.07)	(1.77)
Withdrawal rate (1% movement)	0.80	0.24	(0.94)	(0.28)

The sensitivity analyses presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be co-related. Further more, interpreting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The obligations are measured at the present value of estimated future cashflow by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation. The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

Expected future cash flow:

The expected future cash flow in respect of gratuity at balance sheet date will be as follows

(₹ in lakhs)

Projected benefits payable in future years from the date of reporting	31 March 2024	31 March 2023
1st following year	0.37	0.27
2nd following year	0.41	0.30
3rd following year	0.44	0.32
4th following year	0.47	2.98
5th following year	0.51	0.75
Sum of years 6 to 10	9.99	7.14

B. Other long term employee benefits

Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employee at the year end. The value of such leave balances that are eligible for carry forward is determined by actuarial valuation as at the end of the year and actuarial gains and loss are charged to the statement of profit and loss amount of ₹ 4.39 lakhs (31 March 2023 : ₹ 1.57 lakhs) towards leave benefits is recognized as an expense and included in the Statement of Profit and Loss.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Actuarial assumptions	31 March 2024	31 March 2023
Discount rate	7.22%	7.49%
Salary growth rate	6.00%	6.00%
Withdrawal rate	1.00%	1.00%

C. Defined contribution

Contribution to Provident Fund and ESIC recognized as an expense for the year are as under.

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Employers Contribution to Provident Fund	1.52	2.08
Employers Contribution to ESIC	0.12	0.46

32. Tax expense

A. Income tax expense recognized in the Statement of Profit and Loss

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax		
Current tax on profit for the year	155.13	-
Adjustments of tax for earlier years	-	0.83
Tax (Credit) under Minimum Alternative Tax		
MAT Credit Entitlement	(74.39)	-
Deferred tax		
Origination & reversal of temporary differences (refer note D)	175.02	(156.22)
Tax Expense reported in statement of Profit & Loss	255.76	(155.39)

B. Income tax expense / (income) recognized in other comprehensive income (OCI)

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax		
Deferred tax (credit)/charge on remeasurements of defined benefit liability	0.92	(0.46)
Tax Expense/(income) on 'OCI'	0.92	(0.46)

Notes to the Consolidated financial statements

for the year ended 31 March 2024

C. Reconciliation of effective tax rate

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Profit before tax	1,598.02	(561.62)
"Tax using the Company's statutory tax rate at 16.69% (31 March 2023: 16.69%)"	155.13	-
Effect of :		
Non deductible expenses	-	-
Adjustments of tax for earlier years	-	0.83
MAT Credit Available	(74.39)	-
Origination and Reversal of Temporary difference	175.02	(156.22)
Tax Expense	255.76	(155.39)

D. Deferred Tax Assets and Liabilities

(₹ in lakhs)

Particulars	Deferred Tax (Assets)		Deferred Tax Liability		Net Deferred Tax(Assets)/Liabilities	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Expenditure Allowed on Payment Basis	(9.71)	(8.63)	0.78	-	(8.93)	(8.63)
Provision for Stamp Duty	(10.96)	(10.96)	-	-	(10.96)	(10.96)
Provision for Loss allowance	-	-	(0.92)	0.46	(0.92)	0.46
Less: Depreciation under tax laws over book depreciation	-	-	119.36	105.85	119.36	105.85
Unabsorbed Losses	-	(162.27)	-	-	-	(162.27)
Net Deferred tax (Assets)/ Liabilities	(20.66)	(181.86)	119.22	106.31	98.55	(75.55)
MAT Credit Entitlement	-	-	-	-	(187.76)	113.36
Deferred tax (Assets) / Liabilities	(20.66)	(181.86)	119.22	106.31	(89.21)	(188.91)

33. Operating Segment

The Company is primarily engaged in the development of real estate comprising of residential and commercial projects. Company's performance of operation as defined in Ind AS 108 are evaluated as a whole by chief operating decision maker ('CODM') of the company based on which development of real estate activities are considered as a single operating segment. The Company reports geographical segment which is based on the areas in which major operating divisions of the company operate and the entire operations are based only in India. None of the customers for the year ended 31 March 2024 constituted 10% or more of the Total revenue of the company.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

34. Commitments and Contingent Liability

I) Commitments

There are no commitments as at 31 March 2024 as well as 31 March 2023

II) Contingent Liabilities

- A. The company has received opinion from the office of the superintendent under Gujarat Stamp Act, 1958 wherein it has assessed Stamp Duty amounting to ₹ 651.88 Lakhs with reference to demerger transaction undertaken by the company vide National Company Law Tribunal, Order No. CP(CAA) No. 56/NCLT/AHM/2018 and CA(CAA) No. 14/NCLT/AHM/2018. Based on Legal Opinion, the company has filed writ petition in Hon. Gujarat High Court vide Special Civil Application No. 1042/2023 against the said assessed duty. Moreover, based on the legal opinion, the company has made provision of stamp duty amounting to ₹ 39.38 Lakhs in the books of accounts. The said liability will be discharged once final assessment order is issued by the stamp duty authority.
- B. The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The Company has provided the impact of the said supreme court judgement with effect from 1 January 2020. In view of the management, any additional liability for the period from date of the SC order (28 February 2019) to 31 December 2019 is not material and hence have not been provided in the books of account. In addition, management is of the view that there is a considerable uncertainty around the timing and extent in which the judgement will be interpreted and applied by the regulatory authorities and accordingly, the impact for periods prior to the date SC order (28 February 2019), if any, is not ascertainable and consequently no financial effect has been provided for in the Consolidated financial statements. Accordingly, this has been disclosed as a contingent liability in the Consolidated financial statements.
- C. The company has Provided Bank Gurantee of ₹ 835.00 lakhs as at 31 March 2024 and has not provided any corporate guarantees or any security 31 March 2023 for loans or any other financial aid obtained by its associate or by any other person.
- D. In the above cases, settlement of liability may result in outflow of additional cash than the amount disclosed in the note as contingent liabilities owing to interest component on such liability outstanding. Wherever interest rate is determinable for any specific liability, the amount so disclosed is after considering interest on such liability up to the reporting date.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

35. Financial Instruments - Fair Values And Risk Measurements

A. Accounting classification and fair values

The carrying amounts and fair values of financial instruments by class are as follows:-

(₹ in lakhs)

As at 31 March 2024	Carrying amount				Fair value			
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amor-tized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Signifi-cant ob-servable inputs	Level 3 - Significant unobserv-able inputs	Total
Financial asset								
Loan								
- Current	-	-	1,920.00	1,920.00	-	-	-	-
Investment								
- Non - Cur-rent (note 1)	-	80.24	3.80	84.04	-	-	80.24	80.24
- Current	-	-	-	-	-	-	-	-
Other Financial Assets								
Trade receiv-ables	-	-	63.19	63.19	-	-	-	-
Cash and cash equivalent	-	-	1,372.35	1,372.35	-	-	-	-
Other financial assets								
- Current	-	-	2,116.56	2,116.56	-	-	-	-
	-	80.24	6,790.90	6,871.14	-	-	80.24	80.24
Financial liabilities								
Borrowings								
- Non-current	-	-	-	-	-	-	-	-
- Current	-	-	-	-	-	-	-	-
Trade payable	-	-	458.98	458.98	-	-	-	-
Lease Liability								
- Non-current	-	-	74.65	74.65	-	-	-	-
- Current	-	-	16.49	16.49	-	-	-	-
Other financial liability								
- Non-current	-	-	211.41	211.41	-	-	-	-
- Current	-	-	236.80	236.80	-	-	-	-
	-	-	998.34	998.34	-	-	-	-

Notes to the Consolidated financial statements

for the year ended 31 March 2024

(₹ in lakhs)

As at 31 March 2023	Carrying amount				Fair value			
	Fair Value Through Profit and Loss	Fair Value through Other Comprehensive Income	Amor-tized Cost*	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial asset								
Loan								
- Current	-	-	2,189.96	2,189.96	-	-	-	-
Investment	-	-		-	-	-	-	-
- Non - Current (note 1)			3.80	3.80				
- Current	306.86	-	-	306.86	306.86	-	-	306.86
Other Financial Assets			205.00	205.00	-	-	-	-
Trade receivables	-	-	4.50	4.50	-	-	-	-
Cash and cash equivalent	-	-	1,162.08	1,162.08	-	-	-	-
Other financial assets				-				
- Current	-	-	5.00	5.00	-	-	-	-
	306.86	-	3,570.34	3,877.20	306.86	-	-	306.86
Financial liabilities								
Trade payable	-	-	838.52	838.52	-	-	-	-
Other financial liability								
- Non-current	-	-	461.50	461.50	-	-	-	-
- Current	-	-	101.62	101.62	-	-	-	-
	-	-	1,401.64	1,401.64	-	-	-	-

*Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Note 1: Investments in associate, joint ventures and subsidiary have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Fair value hierarchy

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

The categories used are as follows:-

Input Level I (Directly Observable) : which includes quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges.

Input Level II (Indirectly Observable) : which includes prices in active markets for similar assets such as quoted price for similar assets in active markets, valuation multiple derived from prices in observed transactions involving similar businesses, etc.

Input Level III (Unobservable): which includes management's own assumptions for arriving at a fair value such as projected cash flow used to value a business, etc.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The fair value of the investment in quoted investment in equity shares is based on the current bid price of investment at balance sheet date

ii) Transfer between Level I and II

There has been no transfer in between Level I and Level II

iii) Level III fair values

There are no items in Level III fair values.

C. Financial risk management

The Company has a well-defined risk management framework. The Board of Directors of the Company has adopted a Risk Management Policy. The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors evaluate and exercise independent control over the entire process of risk management. The board also recommends risk management objectives and policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

i) Credit risk

Credit risk is the risk that a 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 primarily trade receivables and other financial assets including deposits with banks. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counter parties.

Other Financial Assets

This comprises mainly of deposits with banks and retention money receivables. Credit risk arising from deposits with banks is limited as the counterparties are banks. Banks have high credit ratings assigned by the credit rating agencies. Credit risk arising from retention money is included in trade receivables.

Trade and other receivable

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Credit limits are established for all customers based on flat booking terms. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed economically.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 -Financial instruments. The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportion of expected credit loss provided for across the ageing buckets is summarised below:

Impairment

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. The calculation is based on defined percentage based on past experiences in the business ascertained by the management.

Summary of the company's exposure to credit risk from various customer is as follows:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Trade Receivable	67.69	8.00
Less: Allowances for credit losses	(4.50)	(3.50)
Net Trade Receivable	63.19	4.50

Movement in the Allowances for credit losses in respect of trade and other receivables are as follows:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	3.50	-
Provision / (Reversal) during the year (net)	1.00	3.50
Balance at the end of the year	4.50	3.50

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Cash and bank balances

The Company is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Company believes that its credit risk in respect to cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre-determined interest rates for specified period of time. For cash and cash equivalents and other bank balances, only high rated banks are accepted.

Other Financial Assets

Other financial assets includes loan to employees and related parties, security deposits, etc. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are group companies, banks. Banks have high credit ratings assigned by the international credit rating agencies.

ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The Company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. In addition to the Company's own liquidity, it enjoys credit facilities with the reputed bank and financial institutions.

Management monitors the Company's liquidity position and cash and cash equivalents on the basis of expected cash flow. The Company's liquidity management policy involves periodic reviews of cash flow projections and considering the level of liquid assets necessary, monitoring balance sheet, liquidity ratios against internal and external regulatory requirements.

Exposure to liquidity risk

(₹ in lakhs)

31 March 2024	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payable	458.98	-	458.98	-	-	-
Lease Liability						
- Non-current	74.65	-	-	18.20	56.45	-
- Current	16.49	-	16.49			
Other financial liability						
- Non-current	211.41	-	-	-	211.41	-
- Current	236.80	-	236.80	-	-	-

(₹ in lakhs)

31 March 2023	Carrying amount	Contractual maturities				
		Not Due	Less than 12 months	1-2 years	2-5 years	More than 5 years
Trade payable	838.52	-	838.52	-	-	-
Other financial liability						
- Non-current	461.50	-	-	-	461.50	-
- Current	101.62	-	101.62	-	-	-

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iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and debt. The company does not have any foreign currency exposure as at balance sheet date. Accordingly, company does not have currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Company's liquidity and borrowing are managed by professional at senior management level. The interest rate exposure of the Company is reduced by matching the duration of investments and borrowings. The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Fixed-rate instrument		
Financial asset	6,324.78	2,399.96
Financial liability	-	-
Floating-rate instrument		
Financial asset	-	306.86
Financial liability	17.70	-

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in lakhs)

Particulars	Increase on profit/ (loss) after tax
31 March 2024	
Increase in 100 basis point	(0.18)
Decrease in 100 basis point	0.18
31 March 2023	
Increase in 100 basis point	3.06
Decrease in 100 basis point	(3.06)

36. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'Debt' to 'Equity'. For this purpose, 'Debt' is meant to include long-term borrowings, short-term borrowings and current maturities of long-term borrowings. 'Equity' comprises all components of equity. The Company's debt to equity ratio as at the end of the reporting periods are as follows:

Notes to the Consolidated financial statements

for the year ended 31 March 2024

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
Total debt	17.70	-
Less : Cash and bank balances	1,372.35	1,162.08
Adjusted net debt	(1,354.65)	(1,162.08)
Total equity	12,758.09	11,418.22
Debt to equity (net)	(0.11)	(0.10)

37. Leases

a) As a Lessor

The Company's significant leasing arrangements are in respect of operating leases for commercial premises. Lease income from operating leases is recognised on a straight-line basis over the period of lease. The aggregate lease rental income including maintenance of ₹ 70.26 Lakhs (31 March 2023: Nil) lakhs is accounted in the statement of profit and loss.

There are no contingent rents which are recognised in statement of profit and loss. The future minimum lease receivables of non-cancellable operating leases are as under:

Future minimum lease receipts under operating leases

(₹ in lakhs)

Particulars	As At 31 March 2024	As At 31 March 2023
Not Later than 1 Year	258.53	-
Later than 1 year and not later than 5 years	1,295.71	-
Later than 5 years	-	-

b) As a Lessee

The company has taken office premises on lease. The terms of lease includes terms of renewals, increase in rent in future periods, terms of cancellation, etc. The agreement is executed for a period of 3 years with a renewable clause and also provide for termination at will by either party giving a prior notice of 1 months at any time during the lease term and hence considered the same to be of short term lease in nature under Ind AS 116. Accordingly, no further disclosures are applicable.

Lease rental expense debited to statement of profit and loss is ₹ 2.13 lakhs (31 March 2023 : ₹ 2.10lakhs)

(i) The following is the movement in lease liabilities during the year ended March 31,2023

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balances	-	-
Additions on account of transition to Ind AS 116	98.88	-
Add:Interest Expense	2.47	-
Less:Payments	10.21	-
Closing Balances	91.14	-
Non-Current	74.65	-
Current	16.49	-

Notes to the Consolidated financial statements

for the year ended 31 March 2024

(ii) Amounts recognised in Statement of Profit and Loss Account

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Amortization for right-of-use assets	4.94	-
Interest on lease liabilities	2.47	-
Total	7.41	-

(iii) Maturity Analysis of lease liabilities, showing the undiscounted lease payments after the reporting date:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 12 Months	25.00	-
More than 12 Months	89.79	-

38. Disclosure as per Ind AS 115

(a) Disaggregation of revenue from contracts with customers

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue		
Development of projects - with construction	8,961.95	101.08
Total	8,961.95	101.08

(b) Contract assets

The contract assets represents amount due from customers which primarily relate to the company's right to consideration for work executed but not billed at the reporting date. The contract asset are transferred to receivable when the rights become unconditional i.e. when invoice is raised on achievement of contractual milestones. This usually occurs when the company issues an invoice to the customer. The contract liabilities primarily represent advance received from customer for which invoice are yet to be raised on customers pending achievement of milestone.

The following table provides information about trade receivables, contract assets and contract liabilities from the customer:

(₹ in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade Receivable	63.19	4.50
Contract Assets	-	-
Contract Liabilities		
- Advance from Customer	8,779.94	5,083.67

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Performance obligation

The Company is engaged primarily in the business of real estate construction, development and other related activities.

All the Contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on Consolidated selling prices.

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (goods or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as “Due from customers”. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as “Due to customers”. Amounts or Contract Assets received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as “Advances from customer”. The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the BalanceSheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes duefor payment.

The transaction price allocated to remaining performance obligations (unsatisfies or partially satisfied) is as follows:

(i) Transaction price allocated to remaining performance obligations

The transaction price allocated to remaining performance obligations (unsatisfies or partially satisfied) is as follows:

(₹ in lakhs)

Particulars	Within One Year	More Than One Year	Total
Revenue from Construction and Development of Projects	8,779.94	-	8,779.94

(ii) Reconciliation of contract revenue recognised in the Statement of Profit and Loss

There are no adjustments made to the contracted price with customers which need to be reconciled to revenue recognized in the statement of profit and loss. The revenue is recognised over a period of time in accordance with the principles outlined in Ind AS 115.

(iii) Movement of Expected Credit Loss during the year

For the year ended 31 Mar 2024, ₹ 4.50 Lakhs (31 Mar 2023, ₹ 3.50 Lakhs) was recognised as provision for expected credit losses on Trade Receivables.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Note No. 39 Ratio analysis

Sr. No.	Ratio	Numerator	Denominator	FY 2023-24		FY 2022-23		31st March 2024	31st March 2023	% Variance	Reason for variance
				Numerator	Denominator	Numerator	Denominator				
1	Current ratio	Current Assets	Current Liabilities	18,178.25	9,902.81	16,322.73	6,246.47	1.84	2.61	(29.80%)	On account of increase in contract liability (Refer note number 36)
2	Debt equity ratio	Total Debt	Shareholder's Equity	1770	12,758.09	-	11,418.22	0.00	-	-	
3	Debt service coverage ratio	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc	Interest & Lease Payments + Principal Repayments	2,210.00	8.36	(562.72)	-	264.35	-	-	
4	Return on Equity	Net Profits after taxes – Preference Dividend (if any)	Shareholder's Equity	1,342.26	12,758.09	(406.23)	11,418.22	0.11	(0.04)	395.7%	On account of revenue recognition in two Projects of the company.
5	Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory (Opening + Closing balance / 2)	9,071.36	9,576.77	101.08	8,416.80	0.95	0.01	7787.6%	On account of revenue recognition in two Projects of the company.
6	Trade receivable turnover ratio	Net Credit Sales (gross credit sales minus sales return)	Average Accounts Receivable (Opening + Closing balance / 2)	9,071.36	33.84	101.08	33.75	268.03	2.99	8849.5%	On account of revenue recognition in two Projects of the company.
7	Trade payable turnover ratio	Cost of material consumed and project expenses	Average Accounts Payable	6,548.94	648.75	75.04	557.45	10.09	0.13	7399.2%	On account of revenue recognition in two Projects of the company.
8	Net capital turnover	Revenue from operations	Working capital	9,071.36	8,275.44	101.08	10,076.27	1.10	0.01	10827.6%	On account of revenue recognition in two Projects of the company.
9	Net profit ratio	Net Profit	Net Sales	1,342.26	9,071.36	(406.23)	101.08	14.80%	(401.90%)	(103.70%)	On account of revenue recognition in two Projects of the company.
10	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability) Or Total Assets – Current Liabilities	2,075.07	12,686.58	(561.19)	11,229.31	16.36%	(5.00%)	427.3%	On account of revenue recognition in two Projects of the company.
11	Return on investment	Return	Investment	187.65	4,404.79	3.62	515.00	0.04	0.01	5.06%	

Notes to the Consolidated financial statements

for the year ended 31 March 2024

40. Disclosure under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Regulations, 2015 and Section 186(4) of the Companies Act, 2013).

(₹ in lakhs)

Particulars	As at 31 March 2024	Maximum balance outstanding during 2023-24	As at 31 March 2023	Maximum balance outstanding during 2022-23
Details of loans given:				
Ginger Properties Pvt. Ltd.	446.17	446.17	573.02	573.02
Modi Buildwell Ltd	-	-	-	254.46
Signet Vyapaar Pvt Ltd	541.25	541.25	496.56	496.56
Romanovia Industrial Park Pvt. Ltd.	932.58	932.58	-	-
Suresh Thakkar	-	1,120.38	1,120.38	1,120.38

All loans are given for the purposes of the business and are repayable as per agreed schedule of repayment.

Details of Investments made by the company are given in Note 6.

41. Interest in associate & joint ventures

Below is the list of associate and joint ventures as at 31 March 2024. Their Share capital comprise solely of equity shares and/or as partners capital held by the group and proportion of ownership interest held equals the voting rights held by the group

(₹ in lakhs)

Name of entity	% of ownership interest	Relationship	Method of Accounting	Quoted Fair value		Carrying Amount	
				31 March 2024	31 March 2023	31 March 2024	31 March 2023
Nila Projects LLP #	-	Joint Venture	Equity method	-	-	-	638.38
Megacity Cinemall Pvt Ltd	42.50%	Associate	Equity method	-	-	1.03	14.03

As on 31 March, 2024, there is no interest of holding company in joint venture. Joint venture named Nila Projects LLP has ceased to be joint venture w.e.f 30th December, 2023. Hence, disclosure of interest in other entities is not applicable.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

(a) Summarised financial statements of associate

The table below shows summarised financial statements for both associate which are material to the group.

(₹ in lakhs)

Summarised balance sheet Particulars	Megacity Cinemall Pvt Ltd	
	31 March 2024	31 March 2023
Total Non-current assets	1,131.42	1,135.48
Current assets other than Cash and Cash Equivalent	0.43	0.44
Cash and Bank Balance	8.51	8.40
Total Assets	1,140.36	1,144.31
Non-current financial liabilities	-	-
Current financial liabilities (excluding trade payable and provisions)	1,685.38	1,679.56
Current liabilities other than current financial liabilities (including trade payables and provisions)	38.72	17.93
Total Liabilities	1,724.10	1,697.49
Net assets (A-B)	(583.74)	(553.17)
Group's share in %	42.50%	42.50%
Group's share in ₹	(248.09)	(235.10)

Reconciliation to Carrying Amount

(₹ in lakhs)

Particulars	Megacity Cinemall Pvt Ltd	
	31 March 2024	31 March 2023
Group share in opening net assets	14.03	18.64
Profit for the year - share of group	(12.99)	(4.61)
Interest on Capital Contribution		
Opening net assets	1.03	14.03
Add:- Ind AS adjustment	-	-
Less: Unrealised gain & losses eliminated against the investment accounted for using equity method (including previous unsettled unrealised amounts)		
Add: Capital Contribution Introduced / (Withdrawn)	-	-
Closing net assets	1.03	14.03

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Summarised statement of profit and loss of material Associate

Summarised profit and loss	Megacity Cinemall Pvt Ltd	
	31 March 2024	31 March 2023
Revenue	-	-
Other income	-	-
Total income	-	-
Employee benefit expense	-	-
Finance cost	-	-
Depreciation	4.05	4.05
Project exp	-	-
Other expense	23.60	2.67
Total expense	27.65	6.72
Profit before tax	(27.65)	(6.72)
Tax expense	2.92	4.14
Profit after tax	(30.57)	(10.86)

42. Additional Information as per Schedule III

(₹ in lakhs)

Name of Entity in the group	Net Assets (Total assets minus Total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated share in loss	Amount	As % of consolidated share in comprehensive income	Amount	As % of consolidated share in Total comprehensive income	Amount
Parent								
Nila Spaces Limited								
31 March 2024	94.99%	12,118.73	100.97%	1,355.31	100.00%	(2.39)	100.97%	1,352.92
31 March 2023	94.48%	11,170.84	98.76%	(401.21)	100.00%	1.20	98.76%	(400.01)
Joint Ventures								
Nila Projects LLP								
31 March 2024	5.00%	638.33	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
31 March 2023	5.40%	638.38	0.10%	(0.41)	0.00%	-	0.10%	(0.41)

Notes to the Consolidated financial statements

for the year ended 31 March 2024

Name of Entity in the group	Net Assets (Total assets minus Total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated share in loss	Amount	As % of consolidated share in comprehensive income	Amount	As % of consolidated share in Total comprehensive income	Amount
Associate								
Megacity Cinemall Pvt Ltd								
31 March 2024	0.01%	1.03	-0.97%	(12.99)	0.00%	-	-0.97%	(12.99)
31 March 2023	0.12%	14.03	1.14%	(4.61)	0.00%	-	1.14%	(4.61)
Total 31 March 2024	100.00%	12,758.09	100.00%	1,342.26	100.00%	(2.39)	100.00%	1,339.87
Total 31 March 2023	100.00%	11,823.25	100.00%	(406.23)	100.00%	1.20	100.00%	(405.03)

Note: The above figures are after eliminating intra group transactions and intra group balances as at 31 March 2024 and 31 March 2023.

43. No Material event have occurred between the Balance sheet date to the date of issue of this Consolidated financial statement that could affect the values stated in the financials statements as at 31 March 2024

44 Other Statutory Information

- a The Company has not availed loans from banks on the basis of security of current assets.
- b The company has not been declared a wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- c There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- d The company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
- e The company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods.

Notes to the Consolidated financial statements

for the year ended 31 March 2024

- e The company has neither advanced, loaned or invested funds nor received any fund to/from any person or entity for lending or investing or providing guarantee to/on behalf of the ultimate beneficiary during the reporting periods.
 - f There is no immovable property whose title deed is not held in the name of the company.
 - g There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
 - h The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
 - i The company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.
 - j The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961.
 - k The Company has not entered into any transaction with struck off companies under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956. Further, there is no balance outstanding with struck off companies.
45. The figures for the previous year have been regrouped/reclassified wherever necessary to confirm with the current year's classification.

46. Audit Trail

As per the requirements of Rule 3(1) of the Companies (Accounts) Rules 2014, the Company uses an accounting software for maintaining its books of account that have a feature of, recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year. In respect of aforesaid accounting software, after thorough testing and validation, it was noted that audit trail was not available for changes made in master data. In respect of master data changes, the Company has established and maintained an adequate internal control framework and based on its assessment, believes that this was effective for the year ended March 31, 2024.

For Dhirubhai Shah & Co. LLP
Chartered Accountants
Firm's Registration No: 102511W/W100298

Parth S Dadawala
Partner
Membership No: 134475

Place : Ahmedabad
Date : 09 May 2024

**For and on behalf of the Board of Directors of
Nila Spaces Limited**
CIN No. :L45100GJ2000PLC083204

Deep Vadodaria
Wholetime Director
DIN : 01749361

Prashant H Sarkhedi
Chief Financial Officer

Place : Ahmedabad
Date : 09 May 2024

Anand B Patel
Director
DIN : 07272892

Gopi V Dave
Company Secretary

Place : Ahmedabad
Date : 09 May 2024



CIN:L45100GJ2000PLC083204

1st Floor, Sambhaav House, Opp. Chief Justice's Bungalow,
Bodakdev, Ahmedabad-380015.
Ph. : +91 79 4003 6817 / 18, 2687 0258

www.nilaspaces.com