

INDEPENDENT AUDITOR'S REPORT

To the Members of Fairleaf Real Estate Private Limited

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

We have audited the accompanying financial statements of Fairleaf Real Estate Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material 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, as amended ("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 state of affairs of the Company as at March 31, 2025, its profit including other 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (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 except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The Company has not paid or provided for any managerial remuneration during the year ended March 31, 2025. Accordingly, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025;



- (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 (b) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 42(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 42(vii) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.



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- vi. Based on our examination which included test checks and review of Service Organisation Controls report, the Company has used accounting software which is operated by a third party service provider for maintaining its books of account, 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, for the reasons stated in note 41 to the financial statements, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention for previous year.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Pranay Gupta

Partner

Membership Number: 511764

UDIN: 25511764BMOKBA5994

Place of Signature: New Delhi

Date: May 02, 2025



Annexure 1 referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Re: Fairleaf Real Estate Private Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and investment property.
(B) The Company has maintained proper records showing full particulars of intangible assets as reflected in the financial statements.
(b) Property, plant and equipment and investment property have been physically verified by the management during the year and no material discrepancies were identified on such verification.
(c) Title deeds of immovable properties included in investment property are pledged with the lender as security for securing borrowings availed by the Holding Company and are not available with the Company. The same has been confirmed by the lenders as at the year end.
(d) The Company has not revalued its property, plant and equipment and intangible assets during the year ended March 31, 2025.
(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) (a) The Company does not have any inventories and accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
(b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
(d) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.



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(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- iv) There are no loans, guarantees and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. The Company has provided guarantee in respect of which provisions of sections 186 of the Companies Act, 2013 are applicable and have been compiled with by the Company.
- v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- vii)
 - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, income-tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise and value added tax are not applicable to the Company.
 - (b) The dues of goods and services tax and dues of income tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Finance Act, 1994	Demand of service tax on receipt of booking amount and denial of CENVAT Credit on rent-a-cab service and insurance service	25.16	Financial Year 2008 to Financial Year 2013	The Customs, Excise and Service Tax Appellate Tribunal	-
Income-tax Act, 1961	Demand of income tax on account of disallowances of TP adjustment and repairs and maintenance expenditure	193.92	Assessment Year 2017-18	Commissioner of Income-tax (Appeals)	-
Income-tax Act, 1961	Demand of income tax on account of disallowances of repairs and maintenance	-	Assessment Year 2018-19	Commissioner of Income-tax (Appeals)	Refer Note 29(b) to the financial statements.



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Name of the statute	Nature of the dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
	expenditure and bad debts written off				
Income-tax Act, 1961	Demand of income tax on account of various disallowances	2,180.67	Assessment Year 2022-23	Commissioner of Income-tax (Appeals)	-

There are no dues of goods and services tax, cess or other statutory dues which have not been deposited on account of any dispute. The provisions relating to provident fund, employees' state insurance, value added tax, sales-tax, duty of excise and duty of customs are not applicable to the Company.

- viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix)
 - (a) Loans amounting to ₹ 16,600.00 lacs are repayable on demand and such loans thereon have not been demanded for repayment during the relevant financial year. The Company has not defaulted in repayment of other borrowings or payment of interest thereon to any lender, including the interest payable on loans repayable on demand.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) The Company did not have any term loans in respect of which utilization was outstanding during the year and hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
 - (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis in the form of loans repayable on demand taken from related parties and other current liabilities aggregating to ₹ 27,947.73 lacs (excluding current maturities of long-term borrowings) for long-term purposes representing investment property, investment property under development and other assets.
 - (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
 - (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- x)
 - (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.



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- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix) On the basis of the financial ratios disclosed in Note 28 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by ₹ 30,069.57 lacs, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which



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causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub-section (5) of section 135 of the Act. This matter has been disclosed in Note 25.2 to the financial statements.
- (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in Note 25.2 to the financial statements.
- xxi) The Company does not have any subsidiary, joint ventures and associates and accordingly requirement to report on Clause 3(XXI) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Pranay Gupta

Partner

Membership Number: 511764

UDIN: 25511764BMOKBA5994

Place of Signature: New Delhi

Date: May 02, 2025



Annexure "2" to the Independent Auditor's Report of even date on the financial statements of Fairleaf Real Estate Private Limited**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 with reference to financial statements of Fairleaf Real Estate Private Limited ("the Company") as of March 31, 2025 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 judgement, 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 with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these 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 with reference to financial statements 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



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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 With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Pranay Gupta**

Partner

Membership Number: 511764

UDIN: 25511764BMOKBA5994

Place of Signature: New Delhi

Date: May 02, 2025



Fairleaf Real Estate Private Limited
Balance Sheet as at March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	-	-
Investment property	4A	84,396.48	86,161.96
Investment property under development	4B	24.72	24.72
Intangible assets	4C	-	-
Financial assets			
Other financial assets	5	280.47	309.80
Deferred tax assets (net)	6	-	1,376.80
Non-current tax assets (net)	7	-	91.47
Other non-current assets	8	701.22	472.05
Total non-current assets		85,402.89	88,436.80
Current assets			
Financial assets			
Trade receivables	9	669.42	332.81
Cash and cash equivalents	10	14.61	0.99
Other bank balances	11	1,508.15	4,191.60
Other financial assets	5	-	10.76
Other current assets	8	712.15	734.80
Total current assets		2,904.33	5,270.96
Total assets		88,307.22	93,707.76
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	150.02	150.02
Other equity	13	48,223.47	41,808.72
Total equity		48,373.49	41,958.74
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14	190.90	8,052.18
Other financial liabilities	15	3,865.93	1,957.79
Deferred tax liabilities (net)	6	2,126.48	-
Other non-current liabilities	16	776.52	728.54
Total non-current liabilities		6,959.83	10,738.51
Current liabilities			
Financial liabilities			
Borrowings	17	18,721.84	23,350.31
Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		72.22	78.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		361.18	877.29
Other financial liabilities	15	12,781.65	15,918.00
Other current liabilities	16	1,009.29	786.83
Current tax liabilities (net)	19	27.72	-
Total current liabilities		32,973.90	41,010.51
Total liabilities		39,933.73	51,749.02
Total equity and liabilities		88,307.22	93,707.76

Summary of material accounting policies

2.2

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Co, LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005


per Pranay Gupta
Partner
Membership Number : 511764

Place: New Delhi
Date : May 02, 2025



For and on behalf of the Board of Directors of
Fairleaf Real Estate Private Limited



Navin Kedia
Director
DIN: 02758206
Karun Varma
Director
DIN: 07824983


Place : Gurugram
Date : May 02, 2025



Fairleaf Real Estate Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	20	20,673.69	20,322.51
Other income	21	158.51	241.11
Total income		20,832.20	20,563.62
Expenses			
Cost of power, fuel and facility maintenance expenses	22	2,625.26	3,028.88
Finance costs	23	3,356.30	4,562.07
Depreciation and amortisation expense	24	2,158.22	2,523.04
Other expenses	25	675.51	379.69
Total expenses		8,815.29	10,493.68
Profit before tax		12,016.91	10,069.94
Tax expense	26		
Current tax		2,098.88	1,750.17
Deferred tax		3,503.28	2,941.37
Total tax expense		5,602.16	4,691.54
Profit for the year		6,414.75	5,378.40
Other comprehensive income		-	-
Total comprehensive income for the year		6,414.75	5,378.40
Earnings per equity share [face value of share: ₹ 10 each (March 31, 2024: ₹ 10 each)]	27		
Basic (₹)		427.59	358.51
Diluted (₹)		110.60	107.45
Summary of material accounting policies	2.2		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005


per Pranay Gupta
Partner
Membership Number : 511764

Place: New Delhi
Date : May 02, 2025



For and on behalf of the Board of Directors of
Fairleaf Real Estate Private Limited



Navin Kedia
Director
DIN : 02758206
Karun Varma
Director
DIN: 07824983


Place : Gurugram
Date : May 02, 2025



Fairleaf Real Estate Private Limited
Statement of cash flow for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flow from operating activities:		
Profit before tax	12,016.91	10,069.94
Adjustments for:		
Depreciation and amortisation expenses	2,158.22	2,523.04
Bad debts written off	-	4.27
Allowances for expected credit losses	0.81	-
Rent straightlining	(299.70)	(275.54)
Security Deposit forfeited	(161.08)	-
Interest income	(69.43)	(125.69)
Finance income on finance lease	(4.00)	(4.73)
Unclaimed balances and provisions written back	(71.32)	(69.95)
(Income)/expenses on financial liabilities measured at amortised cost (net)	(13.22)	4.63
Finance costs	2,913.59	4,394.59
Operating profit before working capital changes	16,470.78	16,520.56
Adjustments for changes in working capital:		
Decrease in other financial assets	55.72	14.27
Decrease/(increase) in trade receivables	(337.41)	135.62
Decrease/(increase) in other assets	93.18	(269.37)
(Decrease)/increase in trade payables	(180.99)	248.78
(Decrease)/increase in other financial liabilities	(1,362.44)	486.22
Increase in other current liabilities	270.44	197.52
Cash flow from operations	15,009.28	17,333.60
Income-taxes paid (net of refunds)	(1,971.94)	(1,764.03)
Net cash flow from operating activities (A)	13,037.34	15,569.57
B. Cash flow from investing activities		
Purchase of investment property	(693.67)	(127.16)
Decrease/(increase) in bank deposits	2,884.00	(904.93)
Interest received on bank deposits	82.91	113.59
(Increase) in other bank balances (Escrow account)	(233.42)	(752.63)
Net cash flow from/ (used in) investing activities (B)	2,039.82	(1,671.13)
C. Cash flow from financing activities		
Repayment of short-term borrowings	(9,400.00)	-
Proceeds from short-term borrowings	12,900.00	700.00
Repayment of long-term borrowings	(9,138.18)	(8,052.37)
Interest paid	(9,425.36)	(6,545.48)
Net cash used in financing activities (C)	(15,063.54)	(13,897.85)
Net increase in cash and cash equivalents (A+B+C)	13.62	0.59
Cash and cash equivalents at the beginning of the year	0.99	0.40
Cash and cash equivalents at the end of the year (refer note 10)	14.61	0.99

Summary of material accounting policies

2.2

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005



per Pranay Gupta
Partner
Membership Number : 511764



Place: New Delhi
Date : May 02, 2025

For and on behalf of the Board of Directors of
Fairleaf Real Estate Private Limited



Navin Kedia
Director
DIN: 02758206



Place : Gurugram
Date : May 02, 2025



Karun Varma
Director
DIN: 07824983



Fairleaf Real Estate Private Limited
Statement of changes in equity for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

A. Equity share capital (refer note 12)

	Number of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As at April 01, 2024	15,00,200	150.02
Issue of share capital	-	-
As at March 31, 2025	15,00,200	150.02

	Number of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As at April 01, 2023	15,00,200	150.02
Issue of share capital	-	-
As at March 31, 2024	15,00,200	150.02

B. Other equity (refer note 13)

Particulars	Equity Component of Compulsorily Convertible Debentures (refer note 14.1)	Retained earnings	Total other equity
As at April 01, 2023	54,369.58	(17,939.26)	36,430.32
Profit for the year	-	5,378.40	5,378.40
As at March 31, 2024	54,369.58	(12,560.86)	41,808.72
Profit for the year	-	6,414.75	6,414.75
As at March 31, 2025	54,369.58	(6,146.11)	48,223.47

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

For and on behalf of the Board of Directors of
Fairleaf Real Estate Private Limited


per Pranay Gupta
Partner
Membership Number : 511764



Place: New Delhi
Date: May 02, 2025


Navin Kedia
Director
DIN: 02758206


Place: Gurugram
Date: May 02, 2025


Karun Varma
Director
DIN: 07824983



1. Corporate Information

Fairleaf Real Estate Private Limited ('the Company') is a public company domiciled in India and has its registered office in Gurugram, Haryana. The Company was incorporated in April 2007 under the provisions of the Companies Act 1956. The Company is engaged in the business of real estate operations. The registered office of the Company is located at 11th floor, DLF Gateway Tower, DLF City, Phase III, Gurgaon, Haryana.

The financial statements for the year ended March 31, 2025, were authorized and approved for issue by the Board of Directors on May 02, 2025.

2. Material accounting policies

2.1 Basis of preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 (the 'Act'), read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

The financial statements have been presented in Indian Rupees (₹) and all values have been rounded to the nearest lacs, except when otherwise indicated.

2.2 Summary of material accounting policies

a. Current versus non-current classification

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 Ind AS – 1, "Presentation of financial statements". For this purpose current assets and liabilities include current portion of non-current assets & liabilities respectively. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be. The Company has identified period upto twelve months as its operating cycle.

b. Revenue from operations

Revenue comprises the consideration received or receivable for providing buildings on operating lease, rendering of maintenance service and other income in the ordinary course of the Company's activities. Revenue is presented, net of taxes, rebates and discounts (if any).

Revenue is recognized as follows:

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

- i) Rental income is recognized on a straight-line basis over the term of the lease, except for contingent rental income which is recognized when it arises. Refer note 2.2(i) for policy relating to recognition of rental income. Parking income and fit out rental income is recognised in statement of profit and loss on accrual basis in accordance with terms of underlying contracts.
- ii) Income from interest on deposits, loans and interest bearing securities is recognized using the effective interest method.
- iii) Revenue in respect of maintenance services is recognised over time, in accordance with the terms of the respective contract.
- iv) Other operating income primarily comprises of modification income recognised on completion of work, advertisement and display income recognised over period of time and sales of scrap material recognised when the control of the material is transferred to the customer.



Fairleaf Real Estate Private Limited**Notes to financial statements for the year ended March 31, 2025***(All amounts in ₹ lacs, unless otherwise stated)***Contract balances****Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. The same has been included under the head “unbilled receivables” in the financial statements.

Trade receivables

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

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is 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. The same has been included under the head “advance from customers” in the financial statements.

c. Investment property*Recognition and initial measurement*

Investment properties comprises of completed property and property under development that is held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition including transaction cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Investment property under development

Investment property under development represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

Subsequent measurement/ depreciation and useful lives

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses.

De-recognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

d. Property, plant and equipment*Recognition and initial measurement*

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement/ depreciation and useful lives

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any.



Fairleaf Real Estate Private Limited**Notes to financial statements for the year ended March 31, 2025***(All amounts in ₹ lacs, unless otherwise stated)****De-recognition***

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

e. Depreciation and Amortisation

Depreciation is provided on straight line method over the useful lives as prescribed under Schedule II of the Companies Act, 2013. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset. The Company has used the following life to provide depreciation on its fixed assets.

	Useful Life estimated by management (in years)	Useful Life as per Schedule II (in years)
Investment Property		
Buildings (RCC frame structure)	60	60
Buildings (Other than RCC frame structure)	30	30
Other buildings (including temporary structures etc.)	3	3
Road (Carpet-RCC)	10	10
Plant and Machinery	15	15
Furniture and fixtures *	5	10
Office Equipment	5	5
Electric Equipment	10	10
EDP equipments	6	6
Property, plant and equipment		
Furniture and fixtures *	5	10
Office Equipment	5	5
Computer	3	3
Vehicles *	5	8

* Management based on the technical assessment of technical expert & management estimate, has estimated the life of furniture and fixtures as well as vehicles as five years and accordingly these are depreciated over the life of asset which is lower than the life prescribed under schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

f. Other intangible assets***Recognition and initial measurement***

Intangible assets (software) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation

The cost of capitalized software is amortized over a period of 5 years from the date of its acquisition.

g. Compound financial instrument

Compound financial instrument are separated into liability and equity components based on the terms of the contract. On issuance of the said instrument, the liability component is arrived by discounting the gross sum at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.



h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

i. Leases (Company as a lessor)

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.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straight line basis over the lease term and is included in revenue in the Statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. [also refer note 2.2 (b)]

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return.

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 recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (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 on a lease by lease basis that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

j. Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation (legal or constructive), as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company 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. The Company does not recognize a contingent liability but discloses its existence and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.



k. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

l. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication recoverable amount is higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

m. Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Subsequent measurement

(i) Financial assets carried at amortised cost – a financial asset is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

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



Offsetting of financial instruments

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

n. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or

effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date

o. Taxes

Tax expense comprises of deferred tax and current tax expense.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using Balance sheet approach on temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes at reporting date. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax assets will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any



unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the entity will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the entity recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the “MAT credit entitlement” related deferred tax asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Goods and Services Tax (GST) / value added taxes paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/non-current assets/ liabilities in the balance sheet.

p. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

q. Cash flow statement

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r. Foreign currency

Functional and presentation currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on such conversion and settlement at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

s. Fair value measurement

The Company measures its financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to



generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Valuers are selected based on market knowledge, reputation, independence and whether professional standards are maintained. For other assets management carries out the valuation based on its experience, market knowledge and in line with the applicable accounting requirements.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures of fair value measurement hierarchy
- Investment property (note 4A)
- Financial instruments (including those carried at amortised cost)

t. Significant management judgment in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Judgments

Property lease classification – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Determining the lease term of contracts with renewal and termination options – Company as lessor

As a lessor, the Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not the lessee shall exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for the lessee to exercise either the renewal or



Estimates

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Valuation of investment property – Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

Fair value measurements of financial instruments – When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 36 and 37 for further disclosures.

Leases - Estimating the incremental borrowing rate

Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain Company-specific estimates.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However the actual future outcome may be different from this judgment.

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be different.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, customer relationships, IT equipment and other plant and equipment.



New and amended standards that have an impact on the Company's financial statements, performance and/or disclosures.

These are certain amendments that apply for the first time for the year ending March 31, 2025, but do not have a material impact on the financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

a) Ind AS 117: Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated August 12, 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 1, 2024. Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The amendments do not have a material impact on the Company's financial statements.

b) Amendments to Ind AS 116 Leases: Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 1, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

2.3 Standards issued but not yet effective

There is no standard issued but not yet effective as on date which is effective from next year.



Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

3. Property, plant and equipment

Description	Computers	Office equipment	Furniture and fixtures	Building	Total
Gross block					
As at April 01, 2023	80.01	77.27	14.56	3.05	174.89
Additions during the year	-	-	-	-	-
Disposals/adjustment	-	-	-	-	-
As at March 31, 2024	80.01	77.27	14.56	3.05	174.89
Additions during the year					
Disposals/adjustment	(7.16)	-	-	-	(7.16)
As at March 31, 2025	72.85	77.27	14.56	3.05	167.73
Accumulated depreciation					
As at April 01, 2023	80.01	77.27	14.53	3.05	174.86
Charge for the year	-	-	0.03	-	0.03
Disposals/adjustment	-	-	-	-	-
As at March 31, 2024	80.01	77.27	14.56	3.05	174.89
Charge for the year	-	-	-	-	-
Disposals/adjustment	(7.16)	-	-	-	(7.16)
As at March 31, 2025	72.85	77.27	14.56	3.05	167.73
Net book value as at March 31, 2024	-	-	-	-	-
Net book value as at March 31, 2025	72.85	77.27	14.56	3.05	167.73

(i) Contractual obligations

The Company does not have any contractual commitments for the acquisition of property, plant and equipment as at March 31, 2025 and March 31, 2024.

(ii) Capitalised borrowing cost

Borrowing cost has not been capitalised during the year ended March 31, 2025 and March 31, 2024.

(iii) On transition to Ind AS (i.e. April 1, 2015), the Company has elected to continue with the carrying value of all property, plant and equipment measured as per previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Description	Gross block	Accumulated depreciation	Net Block
Vehicles	32.55	15.95	16.60
Furniture and fixtures	23.04	10.50	12.54
Office equipments	64.98	21.39	43.59
Computers	88.28	24.29	63.99
Total	208.85	72.13	136.72

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Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

4A Investment property

Description	Land	Building	Plant and equipments	Furniture and fixtures	Total
Gross block					
As at April 01, 2023	46,903.58	42,756.43	14,329.07	68.40	1,04,057.48
Additions during the year	-	517.94	52.65	-	570.59
Disposals/adjustment	-	(624.72)	-	-	(624.72)
As at March 31, 2024	46,903.58	42,649.65	14,381.72	68.40	1,04,003.35
Additions during the year	-	387.79	4.95	-	392.74
Disposals/adjustment	-	(4,366.99)	-	-	(4,366.99)
As at March 31, 2025	46,903.58	38,670.45	14,386.67	68.40	1,00,029.10
Accumulated depreciation					
As at April 01, 2023	-	7,017.15	8,859.98	67.97	15,945.10
Charge for the year	-	1,428.24	1,092.48	0.29	2,521.01
Disposals/adjustment	-	(624.72)	-	-	(624.72)
As at March 31, 2024	-	7,820.67	9,952.46	68.26	17,841.39
Charge for the year	-	1,076.40	1,081.68	0.14	2,158.22
Disposals/adjustment	-	(4,366.99)	-	-	(4,366.99)
As at March 31, 2025	-	4,530.08	11,034.14	68.40	15,632.62
Net book value as at March 31, 2024	46,903.58	34,828.98	4,429.26	0.14	86,161.96
Net book value as at March 31, 2025	46,903.58	34,140.37	3,352.53	-	84,396.48

4B Investment property under development

Description	Total
As at April 01, 2023	11.34
Additions during the year	24.72
Capitalised during the year	(11.34)
As at March 31, 2024	24.72
Additions during the year	-
Capitalised during the year	-
As at March 31, 2025	24.72

Ageing schedule of investment property under development as at March 31, 2025

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	24.72	-	-	24.72
Projects temporarily suspended	-	-	-	-	-
Total	-	24.72	-	-	24.72

Ageing schedule of investment property under development as at March 31, 2024

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	24.72	-	-	-	24.72
Projects temporarily suspended	-	-	-	-	-
Total	24.72	-	-	-	24.72

As on March 31, 2025 and March 31, 2024, there is no project classified as investment property under development whose completion is overdue or has exceeded the cost, based on original approved plan.

Notes:

- (i) The title deed of immovable property (Land and Building) on One Horizon Centre ("Project") held in the name of the Company amounting to ₹ 81,043.95 lacs (March 31, 2024 : ₹ 81,732.56 lacs), along with all the movable fixed assets and other assets on which charge has been created are provided as security in respect of 62,000 rupee denominated, senior, listed, rated, secured, redeemable, transferable, Non-Convertible Debentures ('NCDs') of face value of ₹ 1,00,000.00 each aggregating to ₹ 62,000.00 lacs raised by DLF Cyber City Developers Limited ("the Holding Company"). All the title deeds are pledged with bank and these are not physically available with the Company.
- (ii) Contractual obligations : Refer note 29 (a) for disclosure of contractual commitments for the acquisition of investment property.
- (iii) **Capitalised borrowing cost**
Borrowing cost has not been capitalised during the year ended March 31, 2025 and March 31, 2024.



Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

(iv) Amount recognised in statement of profit and loss for investment property

	For the year ended March 31, 2025	For the year ended March 31, 2024
Rental income derived from investment property	17,573.03	16,940.80
Less: Direct operating expenses that generated rental income	262.92	182.73
Less: Direct operating expenses that did not generate rental income	19.54	3.00
Profit arising from investment property before depreciation	17,290.57	16,755.07
Less : Depreciation/ amortization on investment property	2,158.22	2,521.01
Profit arising from investment property after depreciation	15,132.35	14,234.06

(v) Leasing arrangement

Investment property are leased to tenants under long-term operating lease with rentals payable monthly, refer note 31(a) for details on future minimum lease rentals.

(vi) Fair value of investment property:

Fair value	As at March 31, 2025	As at March 31, 2024
Investment property	2,33,880.00	2,25,930.00

The fair value of investment property has been determined by external, independent registered property valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued in conjunction with valuer assessment services undertaken by international property consultant. The Company obtains independent valuation for its investment property at least annually and fair value measurements are categorized as level 3 measurement in the fair value hierarchy.

The valuation has been taken as an average of values arrived using the following methodologies:

- (a) Discounted cash flow method, net present value is determined based on projected cash flows discounted at an appropriate rate
- (b) Sales comparable method, which compares the price or price per unit area of similar properties being sold in the marketplace.

Further, key inputs used in the above valuation models are as under:

- (a) Property details comprising of total leasable area, area actually leased, vacant area, parking slots etc.
- (b) Revenue assumptions comprising of market rent, market parking rent, rent growth rate, parking income growth rate, market lease tenure, market escalations, common area maintenance income prevailing in the market etc
- (c) Cost assumptions comprising of brokerage cost, transaction cost on sale, cost escalations etc
- (d) Discounting assumptions comprising of terminal cap rate, discount rate
- (e) Estimated cash flows from lease rentals, parking income, operation and maintenance income etc. for the future years.
- (f) FSI area, load factor, saleable area.

(vii) Additions includes ₹ 387.79 lacs (March 31, 2024: ₹ 517.94 lacs) capitalized as brokerage expense in Building under the head "Investment Property" in accordance with Ind AS 116 "Leases" and depreciated over the non-cancellable period. Disposal/adjustments include brokerage capitalized and amortized in full for the leases of which the non-cancellable period has expired.

(viii) On transition to Ind AS (i.e. April 1, 2015), the Company has elected to continue with the carrying value of all investment property measured as per previous GAAP and use that carrying value as the deemed cost of investment property.

Description	Gross block	Accumulated depreciation	Net Block
Building	41,410.02	674.20	40,735.82
Land	46,829.58	-	46,829.58
Plant and equipments	14,657.06	694.37	13,962.69
Furniture and fixtures	108.80	49.63	59.17
Total	1,03,005.46	1,418.20	1,01,587.26

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Fairleaf Real Estate Private Limited**Notes to financial statements for the year ended March 31, 2025***(All amounts in ₹ lacs, unless otherwise stated)***4C Intangible assets**

The changes in the carrying value of intangible assets for the year ended March 31, 2025 and March 31, 2024 are as follows:

Description	Parking rights purchased	Total
Gross block		
As at April 01, 2023	10.00	10.00
Additions	-	-
Disposals/adjustment	-	-
As at March 31, 2024	10.00	10.00
Additions	-	-
Disposals/adjustment	-	-
As at March 31, 2025	10.00	10.00

Accumulated depreciation		
As at April 01, 2023	8.00	8.00
Charge for the year	2.00	2.00
Disposals/adjustment	-	-
As at March 31, 2024	10.00	10.00
Charge for the year	-	-
Disposals/adjustment	-	-
As at March 31, 2025	10.00	10.00

Net block		
As at March 31, 2024	-	-
As at March 31, 2025	-	-

(i) Contractual obligations

The Company does not have any contractual commitments for the acquisition of intangible assets.

(ii) Capitalised borrowing cost

Borrowing cost has not been capitalised during the year ended March 31, 2025 and March 31, 2024.

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Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

5. Other financial assets (Unsecured, considered good unless otherwise stated)	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Other bank balances*	236.22	224.59	-	-
Security deposits	44.25	61.68	-	-
Finance lease receivable ^a	-	23.53	-	10.76
	280.47	309.80	-	10.76

*Includes margin money ₹ 0.86 lacs is pledged for obtaining VAT registration (March 31, 2024: ₹ 0.86 lacs). Also, this includes deposits amounting to ₹ Nil (March 31, 2024: ₹ 220.23 lacs) with original maturity for more than 3 months but less than 12 months held by the entity that were not available for use by the Company, as these deposits were pledged with the bank to fulfil the collateral requirements of long-term borrowings taken by the Company. As per the terms of borrowings, the Company was required to maintain the balance in deposits throughout the tenure of borrowings. Considering the remaining period for repayment of borrowings had more than 12 months, the Company had classified the above other bank balances as non-current financial assets in the financial statements.

^aThe Company had entered into a finance lease with a party for a period of 9 years. The rate of interest charged on the lease since inception was 12%. The Company recognised finance income over the period of finance lease. During the current year, the tenant has terminated the lease agreement and consequently, the impact of unamortized lease receivable has been written off in statement of profit and loss.

6. Deferred tax (liabilities)/assets (net)

Deferred tax liability arising on account of :			
Property, plant and equipment, investment property and intangible assets	(6,194.85)	(6,135.93)	
Unbilled receivables (Rent straightlining)	(309.12)	(221.85)	
Financial liabilities measured at amortised cost	(7.87)	(7.74)	
	(6,511.84)	(6,365.52)	
Deferred tax asset arising on account of :			
Trade receivable	10.65	10.54	
Unabsorbed depreciation available for offsetting against future taxable income	3,659.34	5,014.61	
Expenses allowed in subsequent year on payment basis	41.90	38.92	
Liability component of compulsorily convertible debenture	673.47	2,678.25	
	4,385.36	7,742.32	
Deferred tax liabilities (net)			
	(2,126.48)	1,376.80	

The Company has not recognized MAT credit entitlement of ₹ 6,294.55 lacs as at March 31, 2025 (till March 31, 2024: ₹ 4,195.67 lacs) since it is not probable that taxable profit will be available in future against which the MAT credit entitlement can be utilised.

Changes in deferred tax liabilities (net) for the year ended March 31, 2025

Particulars	As at April 01, 2024	Recognised in Statement of Profit and Loss	As at March 31, 2025
Assets			
Property, plant and equipment, investment property and intangible assets	(6,135.93)	(58.92)	(6,194.85)
Unbilled receivables (Rent straightlining)	(221.85)	(87.27)	(309.12)
Trade receivable	10.54	0.11	10.65
Sub-total	(6,347.24)	(146.08)	(6,493.32)
Liabilities			
Other liabilities	38.92	2.98	41.90
Liability component of compulsorily convertible debentures	2,678.25	(2,004.78)	673.47
Financial liabilities measured at amortised cost	(7.87)	(0.13)	(7.87)
Unabsorbed depreciation available for offsetting against future	5,014.61	(1,355.27)	3,659.34
Sub-total	7,724.04	(3,357.20)	4,366.84
Total	1,376.80	(3,503.28)	(2,126.48)

Changes in deferred tax assets (net) for the year ended March 31, 2024

Particulars	As at April 01, 2023	Recognised in Statement of Profit and Loss	As at March 31, 2024
Assets			
Property, plant and equipment, investment property and intangible assets	(6,072.20)	(63.73)	(6,135.93)
Unbilled receivables (Rent straightlining)	(141.61)	(80.24)	(221.85)
Trade receivable	27.87	(17.33)	10.54
Sub-total	(6,185.94)	(161.30)	(6,347.24)
Liabilities			
Other liabilities	-	38.92	38.92
Liability component of compulsorily convertible debentures	4,444.58	(1,766.33)	2,678.25
Financial liabilities measured at amortised cost	(5.37)	(2.37)	(7.87)
Unabsorbed depreciation available for offsetting against future	6,064.90	(1,050.29)	5,014.61
Sub-total	10,504.11	(2,780.07)	7,724.04
Total	4,318.17	(2,941.37)	1,376.80



Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

7. Non-current tax asset (net)

	As at March 31, 2025	As at March 31, 2024
Income-taxes (net of provision for tax)	-	91.47
	-	91.47

8. Other assets

(Unsecured, considered good unless otherwise stated)

	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	-	-	86.29	76.26
Unbilled receivables*	701.22	472.05	360.32	510.01
Balances with government authorities				
Considered good	-	-	26.74	98.93
Considered doubtful	-	-	-	6.61
Less: Allowances for expected credit loss	-	-	-	(6.61)
Advances to suppliers for goods /services	-	-	190.09	0.89
Other advances	-	-	48.71	48.71
	701.22	472.05	712.15	734.80

* Unbilled receivables includes ₹ 701.22 lacs (March 31, 2024: ₹ 472.05 lacs) under non-current and ₹ 360.32 lacs (March 31, 2024: ₹ 289.79 lacs) under current on account of straightlining of rental income.

9. Trade receivables

Related parties (refer note 33.3)

Considered good (secured)	49.28	-
Considered good (unsecured)	13.06	-
Others		
Considered good (secured)	607.08	332.81
Considered doubtful (unsecured)	36.59	36.19
	706.01	369.00
Less: Allowances for expected credit loss	(36.59)	(36.19)
	669.42	332.81

Trade receivables ageing schedule as at March 31, 2025*

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	620.05	20.32	10.23	2.72	16.10	669.42
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	13.95	0.34	2.20	0.47	19.63	36.59
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-
Total	634.00	20.66	12.43	3.19	35.73	706.01

Trade receivables ageing schedule as at March 31, 2024*

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	230.93	33.33	20.26	24.76	23.53	332.81
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	13.75	2.67	0.47	15.96	3.34	36.19
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-
Total	244.68	36.00	20.73	40.72	26.87	369.00

*Unadjusted credits in the customer account have been adjusted in the earliest outstanding for the respective customers.

10. Cash and cash equivalents

Balances with banks				
On current account				
	14.61	0.99		
	14.61	0.99		

Refer note 32 for details of change in liabilities arising from financing activities.

11. Other bank balances

Escrow accounts (held as margin money for security against borrowings taken by the Holding Company)	1,188.69	955.27
Fixed deposit with original maturity for more than 3 months but less than 12 months	319.46	3,236.33
	1,508.15	4,191.60



12. Equity share capital

Authorised share capital:

19,00,000 (March 31, 2024: 19,00,000) Class A equity shares of ₹ 10 each with voting rights
 51,00,000 (March 31, 2024: 51,00,000) Class B equity shares of ₹ 10 each without voting rights

	As at March 31, 2025	As at March 31, 2024
190.00	190.00	
510.00	510.00	
700.00	700.00	

Issued, subscribed and paid up share capital:

Equity share capital

15,00,200 Class A equity shares (March 31, 2024: 15,00,200 equity shares) with voting rights of ₹ 10 each fully paid

150.02	150.02
150.02	150.02

a. Terms/ rights attached to equity shares

The Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share held. The dividend, if any, proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
At the beginning of the year				
Issued during the year				
Outstanding at the end of the year	15,00,200	150.02	15,00,200	150.02

b. Details of shareholders/promoters holding more than 5% shares in the Company

Name of the shareholder	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid DLF Cyber City Developers Limited* (* including equity shares held by nominee of holding company) As per records of the Company, the above shareholding represents both legal and beneficial ownerships of shares.	15,00,200	100%	15,00,200	100%

As per records of the Company, the above shareholding represents both legal and beneficial ownerships of shares.

c. Details of promoters shareholding in the Company

Name of the shareholder	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid DLF Cyber City Developers Limited, Holding Company (refer note 33)* (* including equity shares held by nominee of holding company)	15,00,200	100%	15,00,200	100%

d. There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issue and/or brought back in the current reporting year and in last five years immediately preceding the current reporting year.

13. Other equity

Retained earnings	(6,146.11)	(12,560.86)
Equity component of compulsorily convertible debentures (refer note 14.1)	54,369.58	54,369.58
	48,223.47	41,808.72

(i) Nature and purpose of retained earnings

Retained earnings are created from profit of the Company.

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14. Borrowings (Non-current)

	Non-current		Current maturities of long term borrowings	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Liability component of compulsorily convertible debentures (refer note 14.1) 14.75 % to 15% Compulsorily convertible debentures of ₹ 1,000 each	190.90	2,312.74	2,121.84	6,884.56
Term loans (refer note 14.2, 14.3 and 14.4) Indian rupee loan from bank (secured)	-	5,739.44	-	3,365.75
	190.90	8,052.18	2,121.84	10,250.31
Amount disclosed under the head "borrowings - current" (refer note 17)	-	-	(2,121.84)	(10,250.31)
	190.90	8,052.18	-	-

14.1 54,22,644 (March 31, 2024 : 54,22,644) Compulsorily convertible debentures (CCD) of ₹ 1,000 each (unsecured) are fully convertible into class B equity shares on the 17th anniversary of the date of issue. Each CCD shall be convertible into 1 class B equity shares at a premium of ₹ 990.00. Interest shall accrue on CCDs at the rate applicable on respective instrument which ranges from 14.75 % to 15.00% per annum.

14.2 From Banks :

Secured INR borrowings :-

Facility of ₹ Nil (March 31, 2024 : ₹ 5,739.44 lacs), the said loan was prepaid during the year and the charge on assets stated below has been discharged.
The Indian rupee loan from bank of ₹ Nil (non current ₹ Nil and current ₹ Nil) (March 31, 2024: ₹ 9,105.19 lacs (non-current: ₹ 5,739.44 lacs and current ₹ 3,365.75 lacs)) was secured by the way of :-

- (i) Equitable mortgage of immovable property situated at Gurugram owned by the Company.
- (ii) Charge on receivables pertaining to the aforesaid immovable property owned by the Company.
- (iii) Corporate Guarantee of DLF Cyber City Developers Limited.

14.3 Rate of interest- The Company's total borrowings from bank has a effective weighted contractual average rate of Nil (March 31, 2024 : 9.01 %) per annum calculated using the interest rates effective as on March 31, 2025 for the respective borrowings.

14.4 The Company had satisfied all debt covenants prescribed in the terms of term loans. The Company had not defaulted on any loans payment.

15. Other financial liabilities

	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Security deposits	3,865.93	1,957.79	3,851.98	7,295.70
Interest accrued but not due on borrowings and security deposit	-	-	8,873.40	8,533.59
Capital creditors	-	-	-	35.34
Other financial liabilities*	-	-	56.27	53.37
	3,865.93	1,957.79	12,781.65	15,918.00

*includes retention money of ₹ 44.60 lacs (March 31, 2024: ₹49.85 lacs) payable to micro enterprises and small enterprises (refer note 18).

16. Other liabilities

	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Deferred income	319.09	284.61	384.39	238.96
Statutory dues payable	-	-	457.11	440.45
Security deposit from tenants	457.43	443.93	-	-
Advance from customers	-	-	113.66	95.99
Other liabilities*	-	-	54.13	11.43
	776.52	728.54	1,009.29	786.83

*This pertains to liability towards Corporate Social Responsibility.

17. Short-term borrowings

Loan from related parties (unsecured) (refer note 33)*	16,600.00	13,100.00
Current maturities of long term debts (refer note 14)	2,121.84	10,250.31
	18,721.84	23,350.31

*Loan is repayable on demand. The said loan carries rate of interest 8.50% p.a. (March 31, 2024: 8.50% p.a.).

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Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

18. Trade payables

	As at March 31, 2025	As at March 31, 2024
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises [#] , and	72.22	78.08
- Total outstanding dues of creditors other than micro enterprises and small enterprises	361.18	877.29
	433.40	955.37

Trade payables ageing schedule as on March 31, 2025

Particulars	Outstanding for following periods from invoice date					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	60.28	11.94	-	-	-	72.22
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	296.88	64.30	-	-	-	361.18
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	357.16	76.24	-	-	-	433.40

Trade payables ageing schedule as on March 31, 2024

Particulars	Outstanding for following periods from invoice date					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	45.31	32.77	-	-	-	78.08
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	554.39	322.90	-	-	-	877.29
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	599.70	355.67	-	-	-	955.37

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

Particulars	As at March 31, 2025	As at March 31, 2024
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year,*	116.82	127.93
ii) the amount of interest paid by the buyer in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
v) the amount of further 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 enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

*includes retention money payable ₹ 44.60 lacs (March 31, 2024: ₹49.85 lacs)

The above information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company

In respect of total outstanding dues of micro enterprises and small enterprises beyond the period of 45 days from the due date and also as mentioned in the Form MSME-1 filed by the Company with Registrar of Companies, there has been delay in payment to these MSME vendors due to non-submission of requisite documents by the respective vendors. Hence, the Company has been unable to process their payments and thus, has not accounted for interest on such delay, which is not attributable to the Company.

19. Current tax liabilities (net)

Provision for income tax

	As at March 31, 2025	As at March 31, 2024
	27.72	-
	27.72	-

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20. Revenue from operations

	For the year ended March 31, 2025	For the year ended March 31, 2024
Operating revenue		
Rental income*	17,573.03	16,940.80
Revenue from contract with customers**	17,573.03	16,940.80
Disaggregated revenue information		
Service income	2,871.74	3,360.90
Other operating income***	228.92	20.81
Total revenue from contracts with customers	3,100.66	3,381.71
Total	20,673.69	20,322.51

* Includes rental income on account of discounting of financial liabilities measured at amortised cost of ₹ 420.56 lacs (March 31, 2024: ₹ 172.38 lacs)

* Includes rental income of ₹ 299.70 lacs (March 31, 2024: ₹ 275.54 lacs) on the account of straightlining of rental income.

** Refer note 34 for Ind AS 115 "Revenue from contracts with customers"

*** Other operating income includes scrap sale, amount forfeited on properties etc.

21. Other income

Interest income on		
Bank deposits	61.67	125.69
Financial assets measured at amortised cost	4.00	4.73
Income tax refund	7.76	-
Others	13.76	21.82
Miscellaneous income	-	18.92
Provision no longer required written back	71.32	69.95
	158.51	241.11

22. Cost of power, fuel and facility maintenance expenses

Facility maintenance expenses	1,723.12	2,101.91
Power, fuel, heating, ventilation and air conditioning expenses	902.14	926.97
	2,625.26	3,028.88

23. Finance costs

Interest expense on		
Borrowings from bank	227.26	1,226.16
Borrowings from related party (refer note 33)	1,444.69	1,079.22
Compulsorily Convertible Debentures	1,241.64	2,060.50
Financial liability measured at amortised cost	407.34	166.67
Others	35.03	28.71
Bank guarantee and finance charges	0.34	0.81
	3,356.30	4,562.07

24. Depreciation and amortisation expenses

Depreciation on property, plant and equipment (refer note 3)	-	0.03
Depreciation on investment property (refer note 4A)	2,158.22	2,521.01
Amortisation of intangible assets (refer note 4C)	-	2.00
	2,158.22	2,523.04

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25. Other expenses

	For the year ended March 31, 2025	For the year ended March 31, 2024
Repair and maintenance	52.58	23.17
Advertisement and publicity	113.20	51.75
Legal and professional	188.25	43.70
Rent	0.75	0.74
Corporate social responsibility expense (refer note 25.2)	53.14	26.92
Rates and taxes	19.78	3.14
Insurance	71.72	58.66
Payment to Auditors (refer note 25.1)	25.56	26.01
Marketing and business support expenses	149.72	130.98
Allowances for expected credit losses	0.81	-
Loss on pre settlement/ modification of financial asset/ liability (net)	-	10.34
Bad debts written off	-	4.27
Miscellaneous expenses	-	0.01
	675.51	379.69

25.1 Payment to auditors[#]

	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditor:		
Audit fee (including limited reviews)	21.00	22.00
Tax audit	2.00	2.00
Other services (including certification fees etc)	1.00	0.75
Out of pocket expenses	1.56	1.26
	25.56	26.01

[#] exclusive of applicable taxes

25.2 Corporate social responsibility expenses

In accordance with the provisions of Section 135 of the Companies Act, 2013 ('the Act'), the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms with the provisions of the said Act, required details of CSR amount is as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Amount required to be spent by the Company	53.14	26.92
(b) Amount paid by the Company on:		
i) Construction/acquisition of any asset	-	-
ii) For purposes other than (i) above (refer (f) below)	-	-
- pertaining to current year	-	16.47
- pertaining to previous years shortfall from separate CSR unspent A/c	10.45	-
c) Shortfall (unspent) for the year at the year-end	53.14	10.45
d) Total of previous years shortfall (unspent) in separate CSR unspent A/c	0.98	0.98
e) Reason for shortfall	Pertains to Ongoing projects	Pertains to Ongoing projects
(f) Nature of CSR activities for which amount is paid	Adharshila Health Program and Environmental sustainability and plantation	Adharshila Health Program
(g) Detail of related party transaction in relation to CSR expenditure as per the relevant Ind AS		-
Amount paid to:		
DLF Foundation	9.08	-
Lai Chand Public Charitable Trust	1.37	16.47

Subsequent to year ended March 31, 2025 and March 31, 2024, the Company has transferred the shortfall (unspent) amount pertaining to the respective year to the unspent CSR account(s) in accordance with the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

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Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

26. Tax expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	2,098.88	1,750.17
Deferred tax	3,503.28	2,941.37
Income tax expense reported in the statement of profit and loss	5,602.16	4,691.54

The major components of income tax expense and the reconciliation of impacted tax expense based on the domestic effective tax rate of the Company 29.12% (March 31, 2024: 29.12%) and the reported tax expense in the statement of profit and loss are as follows:

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before income tax	12,016.91	10,069.94
Statutory income tax rate	29.12%	29.12%
Tax expense at statutory income tax rate	3,499.33	2,932.37
Impact of non-deductible expenses for tax purposes		
Expenses related to income chargeable under the head "Profits and gains of business or profession"	3.95	9.00
MAT credit not availed (refer note 6)	2,098.88	1,750.17
Income tax expense reported in statement of profit and loss	5,602.16	4,691.54

27. Earnings per share (EPS)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit attributable to equity shareholders for basic EPS (A)	6,414.75	5,378.40
Add : Finance cost on compulsorily convertible debentures	1,241.64	2,060.50
Profit attributable to equity shareholders for diluted EPS (B)	7,656.39	7,438.89
Weighted average number of equity shares for basic EPS (C) (nos)	Numbers	Numbers
Number of compulsorily convertible debentures (nos)	15,00,200	15,00,200
Weighted average number of equity shares for diluted EPS (D) (nos)	54,22,644	54,22,644
	69,22,844	69,22,844
Earning per share (in ₹) - Basic (A/C)	427.59	358.51
Earning per share (in ₹) - Diluted (B/D)	110.60	107.45

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Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

28. Ratio analysis and its elements:

Ratio	Numerator	Denominator	For the year ended March 31, 2025***	For the year ended March 31, 2024***	% Variance	Reason for variance *
(a) Current ratio	Current assets	Current liabilities	0.09	0.13	-31.47%	Decrease is due to decrease in other bank balances (due to repayment of borrowings)
(b) Debt-equity ratio	Total borrowings + interest accrued	Total equity	0.57	0.95	(39.65%)	Decrease is due to repayment of borrowings and profit earned during the year.
(c) Debt service coverage ratio	Net profit after tax + Depreciation & Amortisation exp + Finance Costs+ Loss on sale of PPE/IP+ Creation / (reversal) of impairment	Finance costs +Principal repayments (excluding prepayments and short-term borrowings)	2.16	0.99	119.10%	Increase is due to prepayment of borrowings.
(d) Return on equity ratio	Net profit after tax	Average of total equity	0.14	0.14	3.70%	
(e) Inventory turnover ratio**	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	NA
(f) Trade receivables turnover ratio	Revenue from operations	Average trade receivables	41.26	54.48	-24.28%	
(g) Trade payables turnover ratio**	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	NA
(h) Net capital turnover ratio	Revenue from operations	Working capital (Current Asset - Current Liabilities)	(0.69)	(0.57)	20.91%	
(i) Net profit ratio	Net profit after tax	Revenue from operations	0.31	0.26	17.24%	
(j) Return on capital employed	Earning before interest and taxes	Tangible Net Worth+ Total Debt including interest accrued+ Deferred Tax Liability	0.20	0.18	9.91%	
(k) Return on investment**	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	NA

*if exceeded more than 25%

**considering the nature of business, Inventory turnover ratio and Trade payables turnover ratio is not applicable. Return on investment is not applicable because Company does not hold any investments.

***amounts are taken to the nearest two decimals.

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Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

29 Commitments and contingencies

a. Commitments

i) Estimated amounts of contracts remaining to be executed on capital account and not provided for are ₹ 6.75 lacs (net of capital advances) [March 31, 2024: ₹ 6.75 lacs (net of capital advances)].

b. Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Income-tax – Assessment year (“AY”) 2017-18 [refer note i (a) below]	193.92	193.92
Income-tax – AY 2022-23 [refer note i (c) below]	2,180.67	2,180.67
Goods and services tax – Financial Year (“FY”) 2008-09 to FY 2012-13 [refer note (ii) below]	25.16	25.16

i) Income tax matters under dispute

(a) During the year ended March 31, 2022, the Transfer Pricing Officer had proposed Transfer Pricing (“TP”) Adjustment for AY 2017-18 on account of excess premium paid on redemption of Non-convertible Debentures to its Associated Enterprise under section 92CA of the Income-tax Act, 1961. Consequently, while passing the assessment order, the AO made TP additions of ₹ 213.13 lacs and also disallowed repairs and maintenance expenditure amounting to ₹ 347.20 lacs under section 37(1) of the Income-tax Act, 1961, the total tax impact is ₹ 193.92 lacs. The Company has preferred an appeal before CIT(A), which is pending for disposal.

(b) During the year ended March 31, 2022, the AO has disallowed repairs and maintenance expenditure under section 37(1) of the Income-tax Act, 1961 and bad debts written off under section 36(1)(vii) of the Income-tax Act, 1961 for AY 2018-19 amounting to ₹ 347.86 lacs and ₹ 26.18 lacs respectively. The Company has preferred an appeal before CIT(A), which is pending for disposal. Considering that the Company incurred losses in AY 2018-19 and the said losses remain unutilized / got expired owing to change in shareholding in financial year ended 2020-21, in case of any adverse order against the Company, no liability is expected to arise on the Company on reduction of the said losses on account of disallowance of said expenditure, and hence, not disclosed in contingent liability table above.

(c) During the previous year ended March 31, 2024, the AO passed assessment order dated March 27, 2024 under section 143(3) read with section 144B of the Income-tax Act, 1961 for the AY 2022-23, whereby disallowances aggregating to ₹ 6,820.14 lacs were made, with respect to interest on financial liabilities measured at amortised cost (₹ 251.59 lacs), interest on debentures (₹ 4,708.56 lacs), repair and maintenance expenditure (₹ 1,432.77 lacs), outstanding balance of trade payables by treating them cessation of liability in terms of section 41(1) of the Income-tax Act, 1961 (₹ 427.22 lacs). The total tax impact of the disallowance made by AO is ₹ 2,180.67 lacs. The Company has filed an appeal before the CIT(A) against the impugned additions made by the AO, which is pending for disposal.

ii) Indirect tax matters under dispute

The Company had filed an appeal before the Customs, Excise And Service Tax Appellate Tribunal (CESTAT), Chandigarh against the Commissioner's order dated December 30, 2016 on the issue of demand of service tax on receipt of booking amount and denial of CENVAT Credit. The total amount of service tax under dispute is ₹ 12.53 lacs along with penalty of ₹ 12.63 lacs and applicable interest thereon. Matter is pending before CESTAT, Chandigarh for final disposal.

Based on the advice from independent tax experts, and development on the appeals, the Company is confident that the additional tax so demanded will not be sustained on the completion of appellate proceedings and accordingly, pending the decisions by the appellate authorities, no provision has been made in these financial statements. Interest on certain claims may be payable as and when the outcome of the related claim is determined.

e. Corporate guarantee

Particulars	As at March 31, 2025	As at March 31, 2024
Corporate guarantee issued by the Company on behalf of DLF Cyber City Developers Limited*	62,000.00	62,000.00
* Maximum outstanding of the corporate guarantee during the year	62,000.00	62,000.00

*The amount reported as contingent liability above represents the amount of loan taken by the related party and outstanding as at year end.

30 Operating Segment

The Company is primarily engaged in the business of leasing of constructed properties (including provision of linked services like facility management services) which is considered to be the only reportable business segment. Further, the revenues of the Company are derived primarily from leasing of real estate. Revenue from two tenants amounting to ₹ 2,655.47 lacs and ₹ 2,539.14 lacs (March 31, 2024: Revenue from one tenant amounting to ₹ 4,687.12 lacs) pertaining to rental income and service income, is individually more than 10% of the Company's revenue from operations. Also, the Company operates within India and does not have operations in economic environments with different risks and returns. Hence, it is considered as a single geographical segment. Accordingly, there are no other separate reportable segments in terms of Ind AS 108 on “Operating Segments”.

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Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

31 Leases

a) Operating lease commitments – Company as a lessor

The buildings and related equipment owned by the Company are given on operating lease generally with the lease terms of 3 to 5 years with an option of renewal ranging from 3 to 5 years. These leases are further renewable subject to enhancement of rent on the expiry of respective lease period. There are no restrictions imposed as such under the lease arrangement.

Future minimum rentals receivable (undiscounted) under non-cancellable operating leases are as follows:

	As at March 31, 2025	As at March 31, 2024
Within one year	12,038.95	10,627.44
More than one year but upto five year	8,898.44	11,053.32
More than five years	-	-
	20,937.39	21,680.76

b) Finance lease commitments – Company as a lessor

During the earlier years, the Company had carried out fit-out on behalf of one tenant, which has been considered as 'finance lease' based on the criteria related to transfer of ownership of the asset to the lessee by the end of the lease term /lease term is for the major part of the economic life of the asset. During the current year, the tenant has terminated the lease agreement and consequently, the impact of unamortized lease receivable has been written off in statement of profit and loss. The required disclosures under Indian Accounting Standard (Ind AS) 116 "Leases" Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) has been given below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Minimum Lease receivable	Present Value of Minimum Lease receivable	Minimum Lease receivable	Present Value of Minimum Lease receivable
Within one year	-	-	14.28	12.75
One to two year	-	-	14.28	11.38
Two to three year	-	-	11.89	10.16
Three to four year	-	-	-	-
Four to five year	-	-	-	-
More than Five Years	-	-	-	-
Total minimum lease receivable	-	-	40.45	34.29
Less: amounts representing finance income in future years	-	-	6.16	-
Present value of minimum lease receipts	-	-	34.29	34.29

Unearned finance lease income on the net investment in the lease

Particulars	As at March 31, 2025	As at March 31, 2024
Gross investment (minimum lease receipts)	-	40.45
Present Value of minimum lease receipts	-	34.29
Unearned finance lease income on the net investment in the lease	-	6.16

32. Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 "Statement of Cash flows"

The changes in the Company's liabilities arising from financing activities can be classified as follows:

	As at April 01, 2024	Cash flows	Charge to statement of profit and loss	As at March 31, 2025
Liability component of compulsorily convertible debentures (including interest paid/accrued)	16,718.48	(8,089.78)	1,241.64	9,870.34
Term loan from bank and others (including interest paid/accrued)	23,204.68	(6,973.76)	1,671.95	17,902.87
	39,923.16	(15,063.54)	2,913.59	27,773.21
	As at April 01, 2023	Cash flows	Charge to statement of profit and loss	As at March 31, 2024
Liability component of compulsorily convertible debentures (including interest paid/accrued)	19,061.71	(4,403.73)	2,060.50	16,718.48
Term loan from bank and others (including interest paid/accrued)	30,393.42	(9,494.12)	2,305.38	23,204.68
	49,455.13	(13,897.85)	4,365.88	39,923.16

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Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

33 Related party disclosure

In accordance with IND AS 24 “Related Party Disclosures”, of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), the names of related parties along with aggregate amount of transactions and year end balances with them are given as follows:

33.1 List of related parties

(i) Name of related parties where control exists

a) Holding Company

DLF Cyber City Developers Limited

b) Entity having joint control over the Holding Company

DLF Limited

Reco Diamond Private Limited

c) Holding Company of entity having joint control over the Holding Company

Rajdhani Investments and Agencies Private Limited

(ii) Names of other related parties with whom transactions have taken place during the current year and previous year :

a) Holding Company

DLF Cyber City Developers Limited

b) Entity having joint control over the Holding Company

DLF Limited

c) Fellow subsidiary companies

DLF Power & Services Limited

DLF Assets Limited (refer note 33.5)

d) Subsidiary of the entity having joint control over the Holding Company

DLF Office Developers Private Limited

e) Enterprises under the control of key management personnel (KMP) of entity having joint control over the Holding Company and their

DLF Foundation

Lal Chand Public Charitable Trust

(iii) Additional related parties as per the Companies Act, 2013

Key management personnel (KMP)

Mr. Anubhav Somani (w.e.f. March 16, 2023 to October 25, 2023)

Mr. Vikram Choube (w.e.f. October 25, 2023)

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Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

33.2 Transactions during the year*

Particulars	Fellow Subsidiary Companies		Holding Company		Entity having joint control over the Holding Company		Subsidiary of the entity having joint control over the Holding Company		Enterprises under the control of key management personnel (KMP) of entity having joint control over the Holding Company and their relatives		Total		
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	
Rental income													
DLF Limited	-	-	-	-	47.20	-	-	-	-	-	47.20	-	
	-	-	-	-	47.20	-	-	-	-	-	47.20	-	
Service income													
DLF Limited	-	-	-	-	5.70	-	-	-	-	-	5.70	-	
	-	-	-	-	5.70	-	-	-	-	-	5.70	-	
Security Deposit received													
DLF Limited	-	-	-	-	49.28	-	-	-	-	-	49.28	-	
	-	-	-	-	49.28	-	-	-	-	-	49.28	-	
Interest on CCD's													
DLF Cyber City Developers Limited	-	-	1,241.64	2,060.50	-	-	-	-	-	-	1,241.64	2,060.50	
	-	-	1,241.64	2,060.50	-	-	-	-	-	-	1,241.64	2,060.50	
Interest on loan taken													
DLF Cyber City Developers Limited	-	-	433.83	25.22	-	-	-	-	-	-	433.83	25.22	
DLF Assets Limited	1,010.86	1,054.00	-	-	-	-	-	-	-	-	1,010.86	1,054.00	
	1,010.86	1,054.00	433.83	25.22	-	-	-	-	-	-	1,444.69	1,079.22	
Loan taken													
DLF Cyber City Developers Limited	-	-	7,250.00	1,200.00	-	-	-	-	-	-	7,250.00	1,200.00	
DLF Assets Limited	5,650.00	-	-	-	-	-	-	-	-	-	5,650.00	-	
	5,650.00	-	7,250.00	1,200.00	-	-	-	-	-	-	12,900.00	1,200.00	
Loan repaid													
DLF Cyber City Developers Limited	-	-	5,900.00	500.00	-	-	-	-	-	-	5,900.00	500.00	
DLF Assets Limited	3,500.00	-	-	-	-	-	-	-	-	-	3,500.00	-	
	3,500.00	-	5,900.00	500.00	-	-	-	-	-	-	9,400.00	500.00	
Facility Maintenance expenses													
DLF Power & Services Limited	1,581.44	1,874.01	-	-	-	-	-	-	-	-	1,581.44	1,874.01	
DLF Office Developers Private Limited	-	-	-	-	-	-	-	-	-	-	0.29	0.23	
	1,581.44	1,874.01	-	-	-	-	-	-	-	-	1,581.73	1,874.24	
Rent expense													
DLF Office Developers Private Limited	-	-	-	-	-	-	-	-	-	-	0.74	0.73	
	-	-	-	-	-	-	-	-	-	-	0.74	0.73	
Rates and taxes (property tax paid)													
DLF Office Developers Private Limited	-	-	-	-	-	-	-	-	-	-	0.01	0.01	
	-	-	-	-	-	-	-	-	-	-	0.01	0.01	
Marketing and business support expenses													
DLF Power & Services Limited	149.30	130.54	-	-	-	-	-	-	-	-	149.30	130.54	
	149.30	130.54	-	-	-	-	-	-	-	-	149.30	130.54	
Advertisement publicity expenses													
DLF Power & Services Limited	55.22	10.63	-	-	-	-	-	-	-	-	55.22	10.63	
	55.22	10.63	-	-	-	-	-	-	-	-	55.22	10.63	
Corporate guarantee given/(released)													
DLF Cyber City Developers Limited	-	-	-	1,612.00	-	-	-	-	-	-	-	1,612.00	
	-	-	-	1,612.00	-	-	-	-	-	-	-	1,612.00	
Corporate guarantee taken/(released)													
DLF Cyber City Developers Limited	-	-	(9,138.18)	(8,052.36)	-	-	-	-	-	-	-	(9,138.18)	(8,052.36)
	-	-	(9,138.18)	(8,052.36)	-	-	-	-	-	-	-	(9,138.18)	(8,052.36)
Corporate social responsibility expenses													
Lal Chand Public Charitable Trust	-	-	-	-	-	-	-	-	-	-	1.37	16.47	
DLF Foundation	-	-	-	-	-	-	-	-	-	-	9.08	-	
	-	-	-	-	-	-	-	-	-	-	10.45	16.47	
	-	-	-	-	-	-	-	-	-	-	9.08	-	



33.3. Balance outstanding at the year end:

Particulars	Fellow Subsidiary Company		Holding Company		Entity having joint control over the Holding Company		Total	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Share capital								
DLF Cyber City Developers Limited	-	-	150.02	150.02	-	-	150.02	150.02
	-	-	150.02	150.02	-	-	150.02	150.02
Compulsorily convertible debentures								
DLF Cyber City Developers Limited	-	-	2,312.74	9,197.30	-	-	2,312.74	9,197.30
	-	-	2,312.74	9,197.30	-	-	2,312.74	9,197.30
Loans taken								
DLF Cyber City Developers Limited	-	-	12,846.02	700.00	-	-	12,846.02	700.00
DLF Assets Limited	3,753.98	12,400.00	-	-	-	-	3,753.98	12,400.00
	3,753.98	12,400.00	12,846.02	700.00	-	-	16,600.00	13,100.00
Security Deposit								
DLF Limited	-	-	-	-	49.28	-	49.28	-
	-	-	-	-	49.28	-	49.28	-
Trade receivables								
DLF Limited	-	-	-	-	62.34	-	62.34	-
	-	-	-	-	62.34	-	62.34	-
Trade payable								
DLF Cyber City Developers Limited	-	-	-	-	-	-	-	-
DLF Power and Services Limited	-	317.27	-	-	-	-	-	317.27
	-	317.27	-	-	-	-	-	317.27
Advance to supplier for goods and services								
DLF Power and Services Limited	189.17	-	-	-	-	-	189.17	-
	189.17	-	-	-	-	-	189.17	-
Interest payable on CCDs								
DLF Cyber City Developers Limited	-	-	7,557.58	7,521.17	-	-	7,557.58	7,521.17
	-	-	7,557.58	7,521.17	-	-	7,557.58	7,521.17
Interest payable on loans taken								
DLF Cyber City Developers Limited	-	-	1,068.40	22.70	-	-	1,068.40	22.70
DLF Assets Limited	234.20	974.54	-	-	-	-	234.20	974.54
	234.20	974.54	1,068.40	22.70	-	-	1,302.60	997.24
Corporate guarantee given								
DLF Cyber City Developers Limited	-	-	62,000.00	62,000.00	-	-	62,000.00	62,000.00
	-	-	62,000.00	62,000.00	-	-	62,000.00	62,000.00
Corporate guarantee taken								
DLF Cyber City Developers Limited	-	-	-	9,138.18	-	-	-	9,138.18
	-	-	-	9,138.18	-	-	-	9,138.18

*The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

33.4. All loans, guarantees and securities as disclosed in respective notes are given for business purposes.

33.5. During the current financial year, the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench, approved the Composite Scheme of Arrangement among DLF Cyber City Developers Limited ("Holding Company" or "Transferee Company"), and DLF City Centre Limited, DLF Lands India Private Limited, DLF Info City Developers (Kolkata) Limited, and DLF Emporio Limited (collectively referred to as the "Transferor Companies"), along with three SEZ units of the demerged undertaking of DLF Assets Limited ("Demerged Company"), collectively referred to as the "Applicant Companies," and their respective shareholders, under Sections 230 to 232 of the Companies Act, 2013 ("the Scheme"). Pursuant to the said order, the Transferor Companies and the SEZ units of the Demerged Company have been merged into the Transferee Company w.e.f February 19, 2025. As a result, all assets, liabilities, agreements, arrangements, and undertakings of the Transferor Companies and the Demerged Company have been transferred to and now vest in the Transferee Company. Consequently, all transactions undertaken with the Transferor Companies and the Demerged Company w.e.f February 19, 2025 are reflected under the name of the Transferee Company.

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Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

34 Revenue related disclosures

A Disaggregated revenue information

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contracts with customers		
(i) Revenue from operations		
(a) Service income	2,871.74	3,360.90
(b) Other operating revenue	228.92	20.81
Total revenue covered under Ind AS 115	3,100.66	3,381.71

Other disclosures required under Ind AS 115 "Revenue from contracts with customers"

a. Timing of revenue recognition

Revenue recognition over period of time	2,887.04	3,381.71
Revenue recognition at point of time	213.62	-
Total	3,100.66	3,381.71

b. Contract balances in respect of revenue covered under Ind AS 115 "Revenue from contracts with customers"

Trade receivables from contracts with customers	190.21	188.15
Contract assets (unbilled revenue)	-	219.32
Contract liabilities	29.54	-

Trade receivables are generally on terms of 7 to 30 days. Interest on delay in payments from customer (if any) is recognised as per the terms of contracts. Contract assets are initially recognised for revenue earned from maintenance services and other operating income as receipt of consideration is conditional on successful provision of services. Upon completion of services, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities include advances received in respect of provisions of maintenance services to the tenants.

c. Significant changes in contract assets and contract liabilities during the year

i) Movement of contract liability

Amounts included in contract liability at the beginning of the year	-	-
Amount received/adjusted against contract liability during the year	29.54	(115.10)
Revenue recognised from performance obligations satisfied in previous years	-	115.10
Amount included in contract liabilities at the end of the year	29.54	-

ii) Movement of contract assets

Amounts included in contract assets at the beginning of the year	219.32	10.93
Amounts billed/adjusted during the year	(219.32)	208.39
Amount included in contract assets at the end of the year	-	219.32

d. Set out below is the amount of revenue recognised from:

Amounts included in contract liability at the beginning of the year	-	-
Performance obligations satisfied in previous years	-	115.10

e. Reconciling the amount of revenue recognised in statement of profit and loss with the contracted price

Revenue as per contract price	3,100.66	3,381.71
Adjustment (if any)	-	-
Total	3,100.66	3,381.71

The performance obligation of the Company in case of maintenance services and other operating income is satisfied over-time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue recognised at a point of time consists of sale of scrap and one time charges recovered from customers, which is recognised when the customers obtain the control of those promised goods or services. The Company raises invoices as per the terms of the contract, upon which the payment is due to be made by the tenants. As per the terms of the service contracts with the customers, the Company has right to consideration from customers in an amount that directly corresponds with the value to the customers of the Company's performance obligation completed till date. Accordingly, the Company has used the practical expedient under Ind AS 115 "Revenue from contracts with customers" and has disclosed information relating to performance obligations to the extent required under Ind AS 115.



Fairleaf Real Estate Private Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

35 Financial risk management

i) Financial instruments by category

Financial instruments, carrying value represents the best estimate of fair value.

	As at March 31, 2025		As at March 31, 2024	
	at carrying value	at amortised cost	at carrying value	at amortised cost
Financial assets				
Trade receivables	669.42	669.42	332.81	332.81
Cash and cash equivalents	14.61	14.61	0.99	0.99
Other bank balances	1,508.15	1,508.15	4,191.60	4,191.60
Other financial assets	280.47	280.47	320.56	320.56
Total	2,472.65	2,472.65	4,845.96	4,845.96

Financial liabilities

Borrowings	18,912.74	18,912.74	31,402.49	31,402.49
Trade payables	433.40	433.40	955.37	955.37
Other financial liabilities	16,647.58	16,647.58	17,875.79	17,875.79
Total	35,993.72	35,993.72	50,233.65	50,233.65

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

36 Fair value disclosures

i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

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

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

In current year, the Company does not have any financial instruments which are measured at fair value either through statement of profit and loss or through other comprehensive income.

iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	As at March 31, 2025		As at March 31, 2024	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Other financial assets	Level 3	280.47	280.47	320.56	320.56
Total financial assets		280.47	2,472.65	320.56	320.56
Financial liabilities					
Borrowings	Level 3	18,912.74	18,912.74	31,402.49	31,402.49
Other financial liabilities	Level 3	16,647.58	16,647.58	17,875.79	17,875.79
Total financial liabilities		35,560.32	35,560.32	49,278.28	49,278.28

The management assessed that trade receivables, cash and cash equivalents, other bank balances and trade payables approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

37 Risk management

The Company's activities exposes it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalent and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortised cost includes security deposits and others.

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- A: Low credit risk
- B: Moderate credit risk
- C: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expenses credit loss
Low credit risk	Cash and cash equivalents, other bank balance, trade receivables, security deposits, and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Trade receivables	12 month expected credit loss/life time expected credit loss
High credit risk	Not applicable	Not applicable

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Assets under credit risk –

Credit rating	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A: Low credit risk	Cash and cash equivalents, other bank balance, trade receivables, security deposits, and other financial assets	2,472.65	4,845.96
B: Moderate credit risk	Trade receivables	36.59	36.19

b) Credit risk exposure

Provision for expected credit losses

The Company provides for expected credit loss based on 12 month credit loss mechanism for the following

For the year ended March 31, 2025

Particulars	Estimated gross carrying amount	Less: Expected credit losses	Carrying amount net of provision
Trade receivables	706.01	36.59	669.42
Cash and cash equivalents	14.61	-	14.61
Other bank balance	1,508.15	-	1,508.15
Other financial assets	280.47	-	280.47
Total	2,509.24	36.59	2,472.65

For the year ended March 31, 2024

Particulars	Estimated gross carrying amount	Less: Expected credit losses	Carrying amount net of provision
Trade receivables	369.00	36.19	332.81
Cash and cash equivalents	0.99	-	0.99
Other bank balance	4,191.60	-	4,191.60
Other financial assets	320.56	-	320.56
Total	4,882.15	36.19	4,845.96

Reconciliation of expected credit losses

As at April 01, 2023	95.71
Add/ (less): Provision for expected credit losses	(59.52)
As at March 31, 2024	36.19
As at April 01, 2024	36.19
Add/ (less): Provision for expected credit losses	0.40
As at March 31, 2025	36.59



Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

In respect of trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables has low credit risk as the Company holds security deposits equivalents ranging from three to six months rentals. Further, historical trends indicate any shortfall between such deposits held by the Company and amounts due from customers have been negligible.

The credit risk for deposits with banks and cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due. The carrying amounts disclosed above are the Company's maximum possible credit risk exposure in relation these deposits.

Other financial assets are also due from several counter parties and based on historical information about defaults from the counter parties, management considers the quality of such assets that are not past due to be good.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities and duly supported by the parent company for the funding requirements.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities

The tables below analyse the group's financial liabilities (undiscounted) into relevant maturity groupings based on their contractual maturities.

For the year ended March 31, 2025	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings and interest accrued thereon	25,460.18	211.36	-	25,671.54
Security deposits	3,904.09	4,544.32	-	8,448.41
Trade payables	433.40	-	-	433.40
Other financial liabilities	69.49	-	-	69.49
Total	29,867.16	4,755.68	-	34,622.84

For the year ended March 31, 2024	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings and interest accrued thereon	25,605.77	6,402.82	4,313.20	36,321.79
Security deposits	7,295.70	1,957.79	-	9,253.49
Trade payables	955.37	-	-	955.37
Other financial liabilities	101.63	-	-	101.63
Total	33,958.47	8,360.61	4,313.20	46,632.28

C) Market Risk

a) **Interest rate risk**

i) **Liabilities**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowing are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings	16,600.00	22,205.19
Fixed rate borrowings	2,312.74	9,197.30
Total borrowings	18,912.74	31,402.49

Sensitivity

Profit/(loss) is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes:

Particulars	As at March 31, 2025	As at March 31, 2024
Interest rates- decrease by 100 basis points (March 31, 2024: 100 basis points)	166.00	222.05
Interest rates- increase by 100 basis points (March 31, 2024: 100 basis points)	(166.00)	(222.05)

ii) **Assets**

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



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Fairleaf Real Estate Private Limited**Notes to financial statements for the year ended March 31, 2025***(All amounts in ₹ lacs, unless otherwise stated)***38 Capital management**

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide a balance between financial flexibility and balance sheet efficiency. In determining its capital structure, Company considers the robustness of future cash flows, potential funding requirements for growth opportunities and acquisitions, the cost of capital and ease of access to funding sources.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to

Particulars	As at March 31, 2025	As at March 31, 2024
Total borrowings*	27,772.92	39,923.16
Less: Cash and cash equivalents	(14.61)	(0.99)
Net Debt (A)	27,758.31	39,922.17
Total equity**	48,373.49	41,958.74
Equity and net debt (B)	76,131.80	81,880.91
Gearing ratio (A/B)	0.36	0.49

* Total borrowings = Long-term borrowings + Short-term borrowings + interest accrued on borrowings

** Total equity = Equity share capital + Other equity

39 During the current year, the Company has billed Common Area Maintenance ("CAM") to its tenants on provisional basis in line with terms agreed with tenants which is based on cost incurred including provisions till March 31, 2025. Subsequent the year end, the Company carries out detailed exercise on actualisation of provisions and validated by an independent third party prior to billing. The management believes that no material adjustment will arise post above activity and hence no adjustment is required in these financial statements.

40 As at March 31, 2025, the Company has accumulated loss of ₹ 6,146.11 lacs (March 31, 2024: ₹ 12,560.86 lacs) against the share capital and equity component of compulsory convertible debentures of ₹ 54,519.60 lacs (March 31, 2024: ₹ 54,519.60 lacs). Further, net current liabilities of the Company is ₹ 30,069.57 lacs (March 31, 2024: ₹ 35,739.55 lacs). Considering the commitment of financial support provided by the Holding Company (in form of parent support letter) to meet the obligations of the Company till May 31, 2026, these financial statements have been prepared on going concern basis.

41 The Company has used a third party operated accounting software for maintaining its books of account, 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. We have obtained service organisation controls report i.e. SOC 1 type 2 report ("SOC Report") from the provider of accounting software and has concluded that the audit trail in respect of such software has been recorded and preserved in full compliance with the requirements of section 128(5) of the Companies Act, 2013, in respect of the financial year ended March 31, 2025. There has been no instance of audit trail feature being tampered with. Additionally, in respect of the financial year ended March 31, 2024, Management is not in possession of SOC Report to determine whether the requirement of preservation of audit trail has been complied as per the statutory requirements for record retention.

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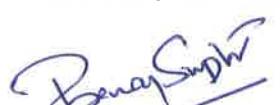
Fairleaf Real Estate Private Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts in ₹ lacs, unless otherwise stated)

42 Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not been declared wilful default by any bank or financial institution or Government or any government authority or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediary) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiary) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiary
- (vii) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiary) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiary,
- (viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

As per our report of even date attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number : 301003E/E300005


per Pranay Gupta
Partner
Membership Number : 511764

Place : New Delhi
Date : May 02, 2025



For and on behalf of the Board of Directors of
Fairleaf Real Estate Private Limited


Navin Kedia
Director
DIN: 02758206


Place : Gurugram
Date : May 02, 2025




Karun Varma
Director
DIN: 07824983