

BOARD'S REPORT

**TO
THE MEMBERS
JUSTO REALFINTECH PVT. LTD.**

Your Directors have pleasure in presenting the **5th Annual Report** of the Company on the business and operations of the Company together with the Audited Financial Statements for the year ended on 31st March 2024.

FINANCIAL HIGHLIGHTS:

The Company's performance during the financial year ended March 31, 2024 as compared to the previous financial year is summarized below:

	(₹ in lacs)	
Particulars	2023 – 2024	2022 – 2023
Revenue from Operations	5,938.28	7,044.08
Other Income	6.32	11.16
Total Revenue	5,944.60	7,055.24
Less: Expenses	5,009.76	4,912.60
Profit Before Tax	934.84	2,142.65
Less: Tax Expense	240.95	609.87
Profit After Tax	693.89	1,532.78
Earnings per share		
Basic (₹)	534.29	1,180.22
Diluted (₹)	488.77	1,087.10

FINANCIAL PERFORMANCE:

The Revenue from Operations stood at ₹ 5938.28 lacs. The Profit Before Tax stood at ₹ 934.84 lacs whereas the Profit After Tax stood at ₹ 693.89 lacs for the year under review.

DIVIDEND:

The Board of the Company has not recommended dividend for Financial Year 2023-24.

BUSINESS OPERATIONS

Business Scenario in 2023 and H1 2024

The Indian economy continues to grow at a healthy pace despite challenging global conditions, according to World Bank's latest **India Development Update (IDU)**. The IDU observes that **India remained the fastest-growing major economy**. IT grew at a rate of 8.2 percent in FY 23-24. The Growth was boosted by public infrastructure investment and an upswing in household investments in real estate.

The Indian economy remains on the path of remarkable progress, fuelled by the combined strength of robust domestic demand, strategic investments, and comprehensive Government reforms. Rising aspirations, increasing urbanisation, and surging young working population continue to play key roles in driving India's upward growth trajectory. Moreover, private consumption and investments are also driving the positive momentum, reflecting the resilience of domestic demand. Additionally, the supply side is boosted by substantial investments in both physical and digital infrastructure, coupled with initiatives aimed at enhancing manufacturing capabilities, thereby significantly stimulating economic activity across the country.

Driven by policy reforms, positive consumer sentiment, rising disposable income and growing demand for bigger homes, the real estate sector in India experienced remarkable growth in 2023, surpassing the growth rates of all previous years and breaking all records. Residential housing sales in India's top 7 cities – including MMR, Pune, Hyderabad and NCR — created a new peak in 2023 as 4,76,530 new housing units were sold in 2023 as against 3,64,870 units in the previous year – recording a yearly growth of 31%. Coupled with a 12% average increase in selling rates across the metros, the residential real estate sector exhibited a stellar performance in 2023. Similarly, new launches across the top 7 cities witnessed a 25% annual rise – from 3,57,640 units in 2022 to 4,45,770 units.

The bull run in the Indian residential housing market moderated in the first half of 2024 due to rising input prices and global tensions. Housing sales at 2,50,510 new housing units in India's top 7 cities exhibited a modest annual increase of 9% in the first half of 2024, with the two biggest residential markets, viz. MMR and Pune growing by 16% and 9% respectively. New launches across the top 7 cities at 2,28,035 units witnessed a 7% annual rise in the first half of 2024. Interestingly, despite buoyant sales, MMR and Pune saw its new supply dip in the first half of 2024 by 3% and 8% respectively.

Mid-segment homes priced INR 40-80 lakh continue to dominate new supply with a 33% overall share, followed by luxury (>INR 1.5 Cr) with 25% share and premium (INR 80 lakh – INR 1.5 Cr) with 24% share.

India's luxury housing market continues to witness robust growth, with sales surging 27 per cent year-on-year in the first half of 2024 (H1 2024) according to a report by CBRE, a real estate consultancy firm. This translates to roughly 8,500 luxury homes sold during this period, a significant increase from the 6,700 units sold in H1 2023. Major metropolitan areas like Delhi-NCR, Mumbai, and Hyderabad played a pivotal role in propelling this growth. Collectively, these cities contributed to nearly 84 percent of the total luxury housing sales across the top seven cities in India. The rising demand for luxury homes is primarily driven by the growing preference of affluent buyers for improved amenities and expansive living spaces that complement their multifaceted lifestyles. This segment also witnessed a significant influx from aspirational demographics, further propelling luxury home sales.

Business Outlook

The World Bank expects India's medium-term outlook to remain positive. The Growth is forecast to reach 7 percent in FY 24/25 and remain strong in years to follow.

The MMR residential market is expected to see a promising second half of 2024, backed by positive tailwinds from the Union Budget 2024 and ongoing infrastructure projects. The budget's focus on urban housing schemes is expected to create a fertile ground for investment and propel the MMR and Pune markets forward. Furthermore, the budget's emphasis on infrastructure development bodes well for MMR's long-term prospects. Planned upgrades to transportation networks, including metro expansion and the long-awaited Navi Mumbai International Airport, will enhance accessibility. Pune's real estate market is also poised for sustained growth in the remaining quarters of 2024, riding on the momentum built in previous quarters. The city's strong economic fundamentals, anchored by its IT-ITeS, manufacturing, and education sectors, continue to attract a steady influx of homebuyers and investors.

The Real estate sector is expected to grow at a robust Compound Annual Growth Rate (CAGR) of 9% from 2023 to 2028.

The residential real estate market is set to remain within affordable limits, reaching a three-year high in 2024. The JLL Home Purchase Affordability Index indicates that metro cities like Mumbai, Delhi NCR, and Chennai will spearhead this surge in the real estate sector. Furthermore, the expected repo rate cut, ranging between 60-80 basis points, is anticipated to maintain home prices within an affordable range for buyers. Continued economic recovery, coupled with government initiatives supporting affordable housing, is anticipated to fuel demand. According to CBRE, demand for projects in the mid-end and budget/affordable category (Rs 45 lakh to Rs 1 crore) is projected to remain strong, aligning with the trends of the past couple of years. Projects in the premium and luxury segments (Rs 2 – Rs 4 crore and above) are also likely to continue experiencing healthy growth.

The overall real estate sector witnessed an increased number of transactions with upward movement in the real estate asset class. The Company's business growth for the FY 2023-24 was robust. The total value of sale for FY 2023-24 was Rs 1,96,107 lacs whereas the number of units sold was 2608 apartments, translating into about 24.61 lacs Sq. fts. The company has expanded its footprints in the market of Thane & Kolhapur as these cities offer good potential for the company's growth. The management is confident of getting good business from these new markets.

Our employees continued to put in relentless hard work during the year. Well-set processes, technological support, and sound business practices enabled our employees to 'Work from Anywhere' ensuring seamless collaboration among themselves and our business partners. Our employees are our strength. We have been constantly updating the skills of our employees. Newer innovative ways of marketing coupled with helping developers to develop and offer the right product mix in projects located in different pockets and locations of our markets provide impetus for achieving good sales velocity.

Commercial Real Estate

The commercial real estate sector may witness a resurgence as businesses adapt to hybrid work models, emphasizing the importance of flexible office spaces. Infrastructure developments, including connectivity improvements, are expected to open up new investment avenues. Overall, 2024 holds promise for a more stable and innovation-driven real estate landscape, with a renewed emphasis on resilience and adaptability in the face of ongoing global changes.

The holiday home segment is also expected to do well going ahead. The holiday home segment presents exciting opportunities for growth in the coming year and Goa will maintain its spotlight, driven by its unique blend of scenic beauty, cultural richness, and the growing trend of individuals seeking a second home for leisure and relaxation. Moreover, amid transforming preferences, affordability will no longer be the sole decisive factor for homebuyers as health & safety, community living, sustainability, and integration of smart home technologies have also started to emerge as key factors in home purchase decisions.

Home Loan Business

The home loans business segment generated revenue of ₹ 177.36 lacs during the year 23-24 in this segment. This segment is picking well considering the value and volume of real estate transactions where the loan component is rising. Home loans are proving to be the backbone of real estate transactions as they also provide liquidity to the business and enhance the capabilities of purchasers to purchase real assets and improve the demand for properties.

GENERAL INFORMATION

Your Company is primarily engaged in the business of rendering services as brokers, commission agents, importers, and exporters, and to act as trustees, executors, administrators, managers, agents, or attorney, to carry on the business of retail and institutional distribution of the schemes of the Mutual Funds or any other financial products including Real Estate Investment Products issued by Banks, Mutual Funds or any financial intermediary,

to contract for, and negotiate and issue and participate in funding any public and private loans and advances, underwriting contracts, mortgages, equity participation, cash credits, overdrafts, and other financial facilities etc.

PAID-UP CAPITAL AND CCD CONVERSION:

During the year, the Authorised Capital of the Company remained at ₹ 2,00,00,000/- (Rupees Two Crores Only) divided into 20,00,000 (Twenty Lakh Only) Equity Shares of ₹ 10/- (Rupees Ten Only) each. There is no change in either paid-up capital or Compulsorily Convertible Debentures issued.

On June 30th, 2023, the founders Mr. Puspamitra Das and Mr. Rahul Pande acquired 6,048 Compulsorily Convertible Debentures and 3,436 Equity stakes in the Company held by investors viz: Mr. Bhavesh Shah and Mr. Bhadresh Shah, pursuant to Security Purchase Agreements entered with them.

On 4th April 2024, Mr. Puspamitra Das sold 5,688 Equity Shares to Shisan Consulting LLP. On 8th April 2024 Mr. Puspamitra Das also acquired 6,048 Compulsorily Convertible Debentures and 3,436 Equity Shares from another set of Investors viz: Ms. Amita Manek and Mr. Aishick Hazra, pursuant to Security Purchase Agreements entered with them.

On 15th May 2024, 12,096 CCDs were converted into 12,096 Equity Shares. The paid up Share Capital of the Company stood increase to ₹14,19,680.

In August 2024, Mr. Rahul Pande divested his entire holding of 66,242 equity shares to Mr. Puspamitra Das, Shisan Consulting LLP, Mahavir Lalchand Mehta HUF, and Arbour Alternate Advisors Private Limited under Security Purchase Agreements. As a result, he ceased to be a shareholder and promoter of the company as of August 14, 2024.

All shares of the Company are held in Demat form, with the ISIN No. INE0W5Q01017. Purva Sharegistry India Private Limited has been appointed as the Registrar and Transfer Agent, effective April 8, 2024.

1. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the financial year under review, the Company has no unclaimed dividend.

2. MANAGEMENT

2.1. Directors and Key Managerial Personnel:

During the financial year, Ms. Amita Manek resigned from her position as Director on June 15, 2023. Subsequently, Mr. Rahul Pande also resigned as Director on November 30, 2023. On the same day, Mr. Vishal Kokadwar, Mr. Aditya Jhaveri, and Mrs. Shivani Jhaveri were appointed as Directors. Additionally, on March 31, 2024, Mr. Aditya Jhaveri and Mrs. Shivani Jhaveri tendered their resignations, which were accepted by the Board and recorded in the Board Meeting held on April 4, 2024.

2.2. Independent Directors:

Your Company, being a private limited company, was not required to appoint Independent directors under Section 149(4) of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

2.3. Board Meetings:

During the financial year under review, the Board of Directors of the Company met four times as per the following particulars:

SN	Date of Board Meeting	Total number of Directors	Number of Directors present
1.	30 th June, 2023	2	2
2.	27 th September, 2023	2	2
3.	30 th November, 2023	2	2
4.	02 nd March, 2024	4	4

The intervening gap between the two board meetings was within the period as prescribed under the Companies Act, 2013.

2.4. **Committees:**

In accordance with Section 135 of the Companies Act, 2013, the Company has established a Corporate Social Responsibility (CSR) Committee. No other committees have been formed, as there are no statutory or business requirements necessitating their establishment.

2.5. **Board Evaluation:**

The Company, being an unlisted private limited company, was not required to give the statement indicating the manner in which formal annual evaluation of the performance of the Board, its Committees and of individual directors has been made.

2.6. **Remuneration received by Managing/Whole Time Director from holding or subsidiary company:**

Remuneration received by Managing / Whole time Director from holding or subsidiary company is not applicable to your Company since there is no such holding or subsidiary company of your Company.

2.7. **Directors' Responsibility Statement:**

Your Directors state that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

2.8. **Internal Financial Controls:**

The Company has maintained adequate internal financial control systems, commensurate with the size, scale and complexity of its operations and ensures compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations.

2.9. Frauds reported by the Auditor:

During the financial year under review, there were no frauds reported by the auditors under Section 143(12) of the Companies Act, 2013.

3. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**3.1. Report on performance and financial position of the subsidiaries, and associates:**

N/A

3.2. Companies which have become or ceased to be subsidiaries, associates, and joint ventures:

N/A

4. DETAILS OF DEPOSITS:

There were no deposits within the meaning of Term deposits accepted by the Company during the financial year under review, requiring disclosure or reporting under Chapter V of the Companies Act, 2013.

5. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

There are no loans or guarantees granted to the related parties during the year.

6. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Your Company has not entered into transactions with related parties within the meaning of Section 188 of the Companies Act, 2013.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company's Corporate Social Responsibility (CSR) liability stands at ₹18.37 lacs. The Company has allocated ₹10 lacs to the Konark Cancer Foundation and is currently in the process of identifying ongoing CSR-eligible projects for further expenditure.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

a) The nature of the activities of the Company during the year under review has been such that there are no disclosures required to be made with respect to the conservation of energy and technology absorption in terms of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

b). Foreign Exchange Earnings & Outgo:

During the year under review, your company has incurred a foreign exchange outgo of ₹ 0.46 lacs.

There was no Foreign Exchange inflow.

9. RISK MANAGEMENT:

Considering the nature of the operations of the Company, the Board is of opinion that there are no major risks affecting the operations and existence of the Company.

10. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:

Details of the establishment of a vigil mechanism for directors and employees are not applicable to your Company as it is not covered under Section 177(9) of the Companies Act, 2013. However, the company has formed and executed the sexual harassment policy as a matter of good governance.

11. MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS:

There are no orders passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and / or company's operations in future during the financial year under review.

12. AUDITORS:

In the current financial year 2024-25, M/s. Salaskar & Co., Chartered Accountants, a partnership firm (Firm Regn. No. 126257W) appointed at the 1st Annual General Meeting to serve until the conclusion of the Annual General Meeting in the calendar year 2025, resigned as Statutory Auditors on June 1, 2024. Following this resignation, Prasad G. Salaskar, Proprietor of M/s Salaskar & Co., Chartered Accountants, was appointed as the new Statutory Auditor of the Company.

13. EXPLANATIONS IN RESPONSE TO AUDITORS' QUALIFICATIONS:

The Auditors' Report does not contain any qualification, reservation, or adverse remark on the financial statements for the year ended 31st March 2024.

14. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with the secretarial standards, as applicable, to the Company.

15. DISCLOSURES ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company is committed to provide a safe and conducive work environment to its employees. The Company has framed the Sexual Harassment Policy and has also framed regional Committees for the protection of employees working in different locations to safeguard our female employees. The Company has framed regional committees for employees working in various regions for quick access. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16. FILING AND SUBMISSION OF THE REPORT:

The company has always and shall file the Annual Report and relevant documents with appropriate authorities as per provision of applicable Acts and regulations.

17. ACKNOWLEDGMENT:

Your Directors wish to place on record their appreciation for the co-operation and sincere support extended by the shareholders, various authorities, banks, dealers, vendors, and members during the year under review.

The Directors also acknowledge with gratitude the dedicated efforts and valuable contribution made by all the employees of the Company.

**For and on behalf of the Board of
Justo Realfintech Private Limited**



**Date: 02nd August, 2024
Place: Mumbai**


Puspamitra Das
Director
DIN: 01643973


Vishal Kokadwar
Director
DIN: 07962440

Annexure I

Details on CSR Policy of the Company:

Our Corporate Social Responsibility (CSR) comprehensively covers holistic community development and sustainability related initiatives. The detailed report on our CSR initiatives are as follows:

The Committee reviewed CSR Policy for the Company adopted by the board.

1. The web-link of CSR Policy and CSR projects approved by the board are disclosed on the website of the Company - <https://www.justo.co.in>
2. Details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable
3. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any – ₹ 0.04 lacs
4. Average net profit of the Company as per Section 135(5)– ₹ 1195.43 lacs
5.
 - (a) Two percent of the average net profit of the Company as per Section 135(5) - ₹ 23.91 lacs
 - (b) Surplus arising out of the CSR projects or programs or activities of the previous Financial Years - Nil
 - (c) Amount required to be set off for the Financial Year, if any – ₹ 0.04 lacs
 - (d) Total CSR obligation for the Financial Year (5a+5b-5c) – ₹ 23.87 lacs
6. (a) CSR amount spent or unspent for the Financial Year: 2022-23

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)					
	Total Amount transferred to Unspent CSR Account as per Section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount (in ₹)	Date of transfer	Name of the Fund	Amount	Date of transfer	
NIL	₹ 18.40 lacs	30 th April, 2024	Nil	Nil	Nil	

Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹)	Amount spent in the current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State.	District.						Name	CSR Registration number
	Konark Cancer Foundation	As may be spent by the Foundation	Yes	Maharashtra	Mumbai	Ongoing	₹10 lacs	Nil	₹18.40 lacs	No	Konark Cancer Foundation	CSR00013450
	TOTAL						₹ 10 lacs		₹18.40 lacs			

(b) Details of CSR amount spent against **other than ongoing projects** for the Financial Year: NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation- Through implementing agency.	
				State.	District.			Name	CSR Registration number.
-----NIL-----									

- (a) Amount spent in Administrative Overheads - NIL
- (b) Amount spent on Impact Assessment, if applicable - NIL
- (c) Total amount spent for the Financial Year (a+b) – NIL
- (d) Excess amount for setoff, if any – ₹ 0.04 lacs

9 (a) Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding Financial Years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2022-23	₹ 18.37 lacs	Nil	Nil	Nil	Nil	₹ 18.37 lacs
2.	2021-22	₹ 2.90 lacs	₹ 2.90 lacs	PM Cares Fund	₹ 2.90 lacs	27 th September 2023	Nil
3.	2020-21	Nil	Nil	Nil	Nil	Nil	Nil
	Total	₹ 21.27 lacs	₹ 2.90 lacs	Nil	₹ 2.90 lacs	Nil	₹ 18.37 lacs

- b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in Which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project – Completed / Ongoing
1.	PM Cares Fund	PM Cares	Ongoing	Ongoing	₹2.9 lacs	₹ 2.9 lacs	₹ 2.9 lacs	Ongoing
	TOTAL				₹ 2.9 lacs	₹ 2.9 lacs	₹ 2.9 lacs	Ongoing

10. In case of creation or acquisition of capital asset, furnish the details relating to the assets created or acquired through CSR spent in the Financial Year

N/A

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 5).

N/A

For and on behalf of the Board of
Justo Realfintech Private Limited



Date: 02nd August, 2024
Place: Mumbai


Puspamitra Das
Director
DIN: 01643973


Vishal Kokadwar
Director
DIN: 07962440