

Rustomjee®

Date: August 30, 2023

The General Manager, Listing Department, Bombay Stock Exchange Limited , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	The Manager, Listing & Compliance Department, National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051
Scrip Code: 543669	Scrip Symbol: RUSTOMJEE

Subject: Notice to the 28th Annual General Meeting ("AGM") along with Annual Report of the Company for the Financial Year 2022-23

Dear Sir / Madam,

This is to inform you that the 28th AGM of Keystone Realtors Limited ("**Company**") is scheduled to be held on **Friday, September 22, 2023** at 04:00 p.m. (IST) **through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**, in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Regulations, please find enclosed a copy of the Annual Report of the Company for the financial year 2022-23 along with the Notice to the 28th AGM, which is being sent by email dated August 30, 2023, to those Members whose email addresses are registered with the Company/ Link Intime India Private Limited / Depository Participant(s).

The Annual Report for FY 2022-23 including the Notice of 28th AGM and is available on the website of the Company at <https://www.rustomjee.com/about-us/investor-relations/>

This is for your information and records.

Thanking you,

Yours faithfully,
For Keystone Realtors Limited

Bimal K Nanda
Company Secretary & Compliance Officer
Membership No. A11578

Encl: as above

KEYSTONE REALTORS LIMITED

KEYSTONE REALTORS
LIMITED



IT'S THOUGHTFUL. IT'S
Rustomjee®



← Shot at location -
Rustomjee Crown

IT'S THOUGHTFUL. IT'S
Rustomjee®

For the last 27 years, Rustomjee has been transforming concrete & steel into vibrant living spaces. Brand Rustomjee is not merely about construction, but a harmonious blend of foresight and unique building technologies, meticulously crafted to transform Mumbai's skyline. Our core philosophy is to design and build spaces that bring people together and fuse them into healthy communities.

Our core philosophy is further reflected in our business model. By engaging in development with landowners, developers & housing societies, we continue to nurture an asset-light business model. This strategy allows us to be agile, adaptable in an ever-changing environment.

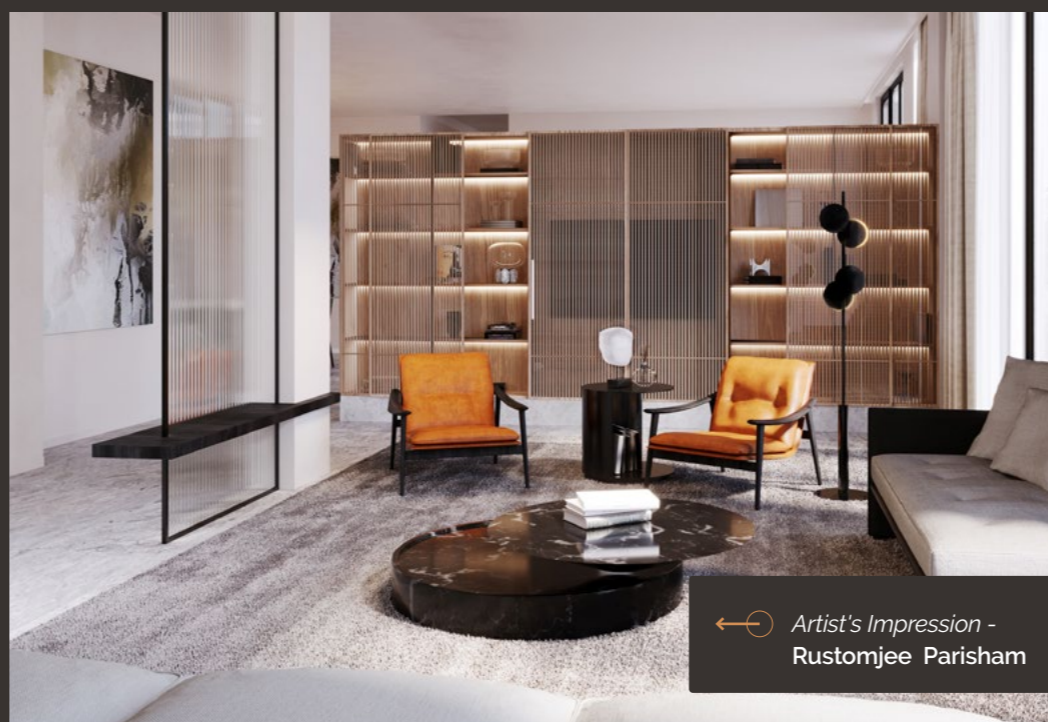
In the redevelopment segment, we are dedicated to solidifying our leadership role. We see this as the imminent major growth avenue in the real estate industry, particularly in cities like Mumbai where land is scarce. By leading in this domain, we persistently tap into the rich potential of redevelopment, converting older, run-down properties into spaces that are contemporary, sustainable, and vibrant.

MMR benefits from being a market that is both wide and deep. The region's diverse geographic and segmental diversification across various micromarkets amplifies the Company's potential for future growth. This calibrated approach enables us to navigate through the cyclical nature of the real estate industry and capitalise on opportunities across different market segments, ensuring sustainable growth and at the same time, mitigating risks.

A strong foothold in the redevelopment space and strategic expansion across diverse segments in the MMR provides us a strong competitive advantage to leverage the opportunities and deliver value to our stakeholders.

Our relentless focus on technology, innovation and sustainability adds to our competitive strengths and helps us maintain a balance between being a market leader and nurturing the environment at the same time.

Beyond brick and mortar, we curate spaces where the customer feels at home. Our constant drive to innovate and redefine the real estate space in MMR stems from the understanding of customers' expectations and our commitment of going above & beyond those expectations.



← Artist's Impression -
Rustomjee Parisham

FY 2022-23 Highlights

1,604

(₹ IN CRORE)

PRE-SALES

1,862

(₹ IN CRORE)

COLLECTIONS

63%

CONTRIBUTION
BY THE MID/MASS
AND ASPIRATIONAL
SEGMENTS

699

(₹ IN CRORE)

HIGHEST EVER
QUARTERLY
COLLECTIONS IN
Q4 FY2023

35,103

(₹ IN CRORE)

ESTIMATED GDV
OF FORTHCOMING
PROJECTS

730

(₹ IN CRORE)

EQUITY RAISED -
IPO/PRE-IPO

19

(₹ IN CRORE)

NET DEBT
(NET D/E OF 0.01:1)

3,425

(₹ IN CRORE)

GDV OF PROJECTS
ADDED - 85% IS MID/
MASS AND ASPIRATIONAL
SEGMENTS

3 New Micro Markets

GEOGRAPHICALLY
DIVERSIFIED TO MAHIM,
CHEMBUR AND DOMBIVLI

Mt. K Kapital

LAUNCH OF CAPTIVE AIF

Best Realty Brand

AWARDED BY THE
ECONOMIC TIMES GROUP

A- (Stable)

CREDIT RATING
ASSIGNED BY ICRA

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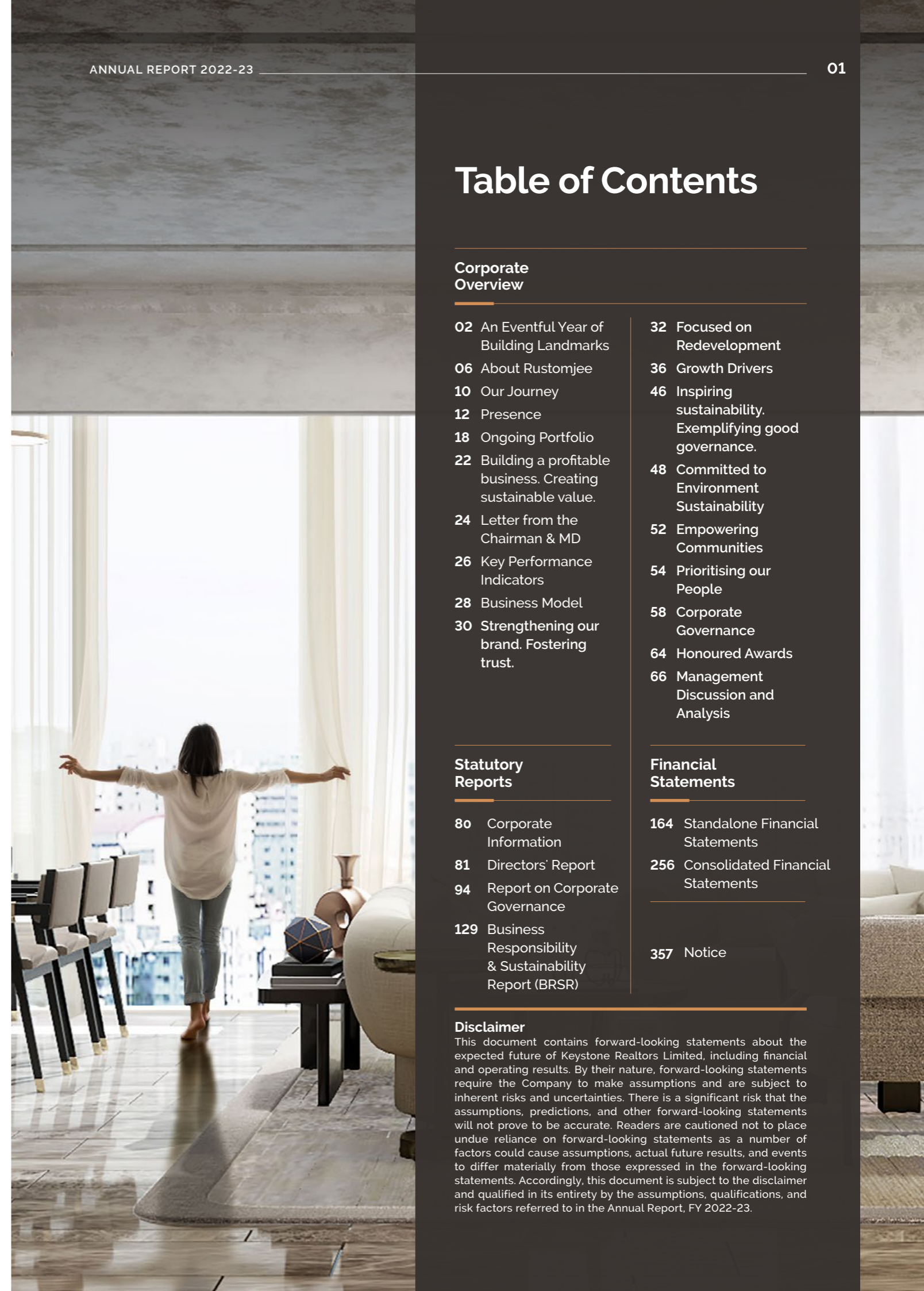
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Disclaimer

This document contains forward-looking statements about the expected future of Keystone Realtors Limited, including financial and operating results. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Annual Report, FY 2022-23.



An Eventful Year of Building Landmarks

Projects added in FY 2022-23

01 Jariwala → AS
MAHIM
257 MEMBERS
Status - DA signed

02 Basant Park → P
CHEMBUR
216 MEMBERS
Status - LOI obtained

03 Sagar Tarang → P
VERSOVA
48 MEMBERS
Status - DA signed

04 Vivekanand CHSL → AS
BANDRA EAST
16 MEMBERS
Status - LOI obtained

05 Kher Nagar B-31 → M
BANDRA EAST
60 MEMBERS
Status - DA signed

← Shot at location -
Rustomjee Urbania

An Eventful Year of Building Landmarks

New Launches



↑ Avenue L (J&K WING), Rustomjee Global City, VIRAR → **AF**



↑ Wing C - La Familia, Rustomjee Uptown Urbania THANE → **M**



↑ Rustomjee Aden BKC ANNEXE → **AS**



↑ Rustomjee Ashiana JUHU → **SP P**

OC Received

01 Rustomjee Seasons
BANDRA EAST
D WING

02 Rustomjee Global City
VIRAR
C, D, E & F WINGS

Customer Segments

Keys: (In ₹ Million)

SP SUPER PREMIUM	>150
P PREMIUM	70-150
AS ASPIRATIONAL	30-70
M MID AND MASS	10-30
AF AFFORDABLE	<10



↑ Rustomjee Parishram PALI HILL, BANDRA → **SP**

At Rustomjee, we're committed to the highest standards, transforming the MMR's skyline and setting new benchmarks for luxury. Our projects are synonymous with architectural simplicity and sustainable design, offering a harmonious blend of aesthetics and functionality. Catering to a diverse clientele, our projects ensure there are amenities and facilities suitable for all, from the young to the elderly.

About Rustomjee®



↑
Artist's Impression -
La Familia at Rustomjee Uptown Urbania

Keystone Realtors Limited (known as Rustomjee) was founded in 1995 with a commitment to deliver excellence in real estate. Over the years, we have evolved and grown to become a prominent brand in the Mumbai Metropolitan Region (MMR). Over the last 27 years, we have delivered 20+ Million square feet of development with 15000+ homes across the length & breadth of the city. We have a healthy pipeline of 37+ Million square feet of ongoing and forthcoming projects. Rustomjee takes great pride in the fact that it has helped customers across market segments (from affordable to super-premium) to realise their dream of owning a home in Mumbai.

At Rustomjee, we are more than just developers, we are curators of living spaces, tirelessly innovating to redefine the contours of the real estate sector. Our goal is to exceed customer expectations by creating spaces that resonate with their lifestyle and their aspirations maintaining a balance between me-time, family time and social time.



← Artist's Impression -
Rooftop Pool, Reserve

Mission

We will strive to be a performance leader in every dimension of our business. We will never substitute price for quality. Our operating philosophy is teamwork with our customers. Our unchanged goal is 100% customer satisfaction. We will manage our business for long-term success so we can help you realise your dream of a comfortable future, 'your home'.

Vision

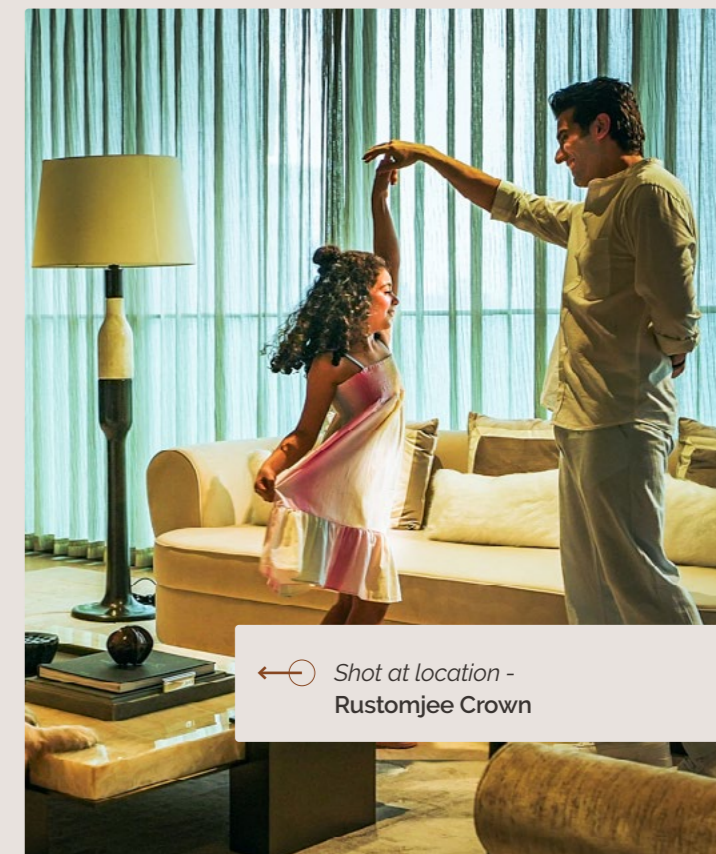
To continuously add value to the lives of our customers, business associates and stakeholders while also giving back to society what we've gained from it.

Brand Purpose

To build spaces that bring people together and make world a happier place.

Values

-  Commitment to Delivery
-  Transparency
-  Customer Centricity
-  Long-term Outlook
-  Uncompromised Quality



← Shot at location -
Rustomjee Crown

About Rustomjee

Strengths



Asset-light approach focused on optimising the upfront capital requirement, thus achieving a better Return on Equity and Capital Employed



Well-diversified project portfolio from affordable to super-premium segments with a strong pipeline



Leverage our leadership position in the premium segment and to grow our presence in the mid and aspirational segment



Experienced promoters and management possessing multi-decade experience in the real estate development



Well-established customer-centric brand in the MMR



Continued focus on customers and their ever-evolving needs and lifestyles



Strong focus on sustainable development



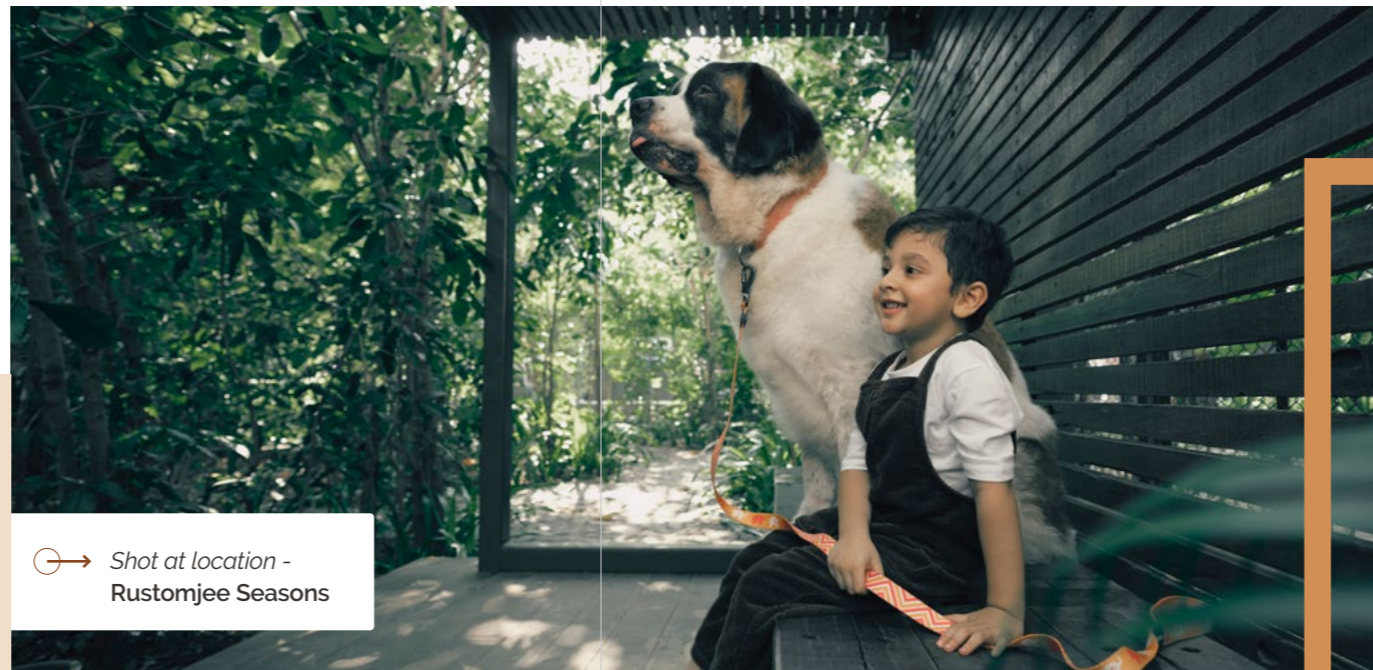
End-to-end project capabilities with in-house expertise across verticals



Leverage technology to improve operational efficiency



Building happy & healthy communities across the city



Since our inception in 1996, we have heralded the rise of insightful design and eco-friendly construction technologies. Today, this commitment to excellence is converting millions of square feet of Mumbai into gated communities, premium townships, standalone landmarks and commercial spaces, each embedded with our unique design thinking approach.

Milestones Achieved

ESG

- The wastewater from the projects is treated in the on-site STP. The treated wastewater is reused for flushing, landscaping, car washing and any other purposes deemed appropriate by the residents.
- One of India's largest electric vehicle charging solutions providers, collaborated with Rustomjee to provide end-to-end EV charging solutions across its residential projects in Mumbai Metropolitan Region (MMR).

Technology

- One of the first Companies to have installed and used BIM (Building Information Modelling) in architecture, 3D BIM software for model-based construction which visualises projects in pre-construction phase and allows for better coordination amongst the in-house teams, contractors and external consultants for greater productivity and cost efficiency.

Projects

	Townships	Residential	Commercial	Plotted Development	Under Planning
Completed	2	27	3	-	-
Ongoing	2	9	2	-	-
Forthcoming	2	15	2	1	2

Size and Scale

27+ Years
OF EXPERIENCE

20+
IN MN. SQ. FT. REAL ESTATE SPACE DELIVERED

15,000+
HAPPY FAMILIES

280+
BUILDINGS DEVELOPED

2
MEGA TOWNSHIPS

37+
IN MN. SQ. FT. CONSTRUCTION AREA IN PIPELINE

724*
EMPLOYEES (INCLUDING OUR JVs)

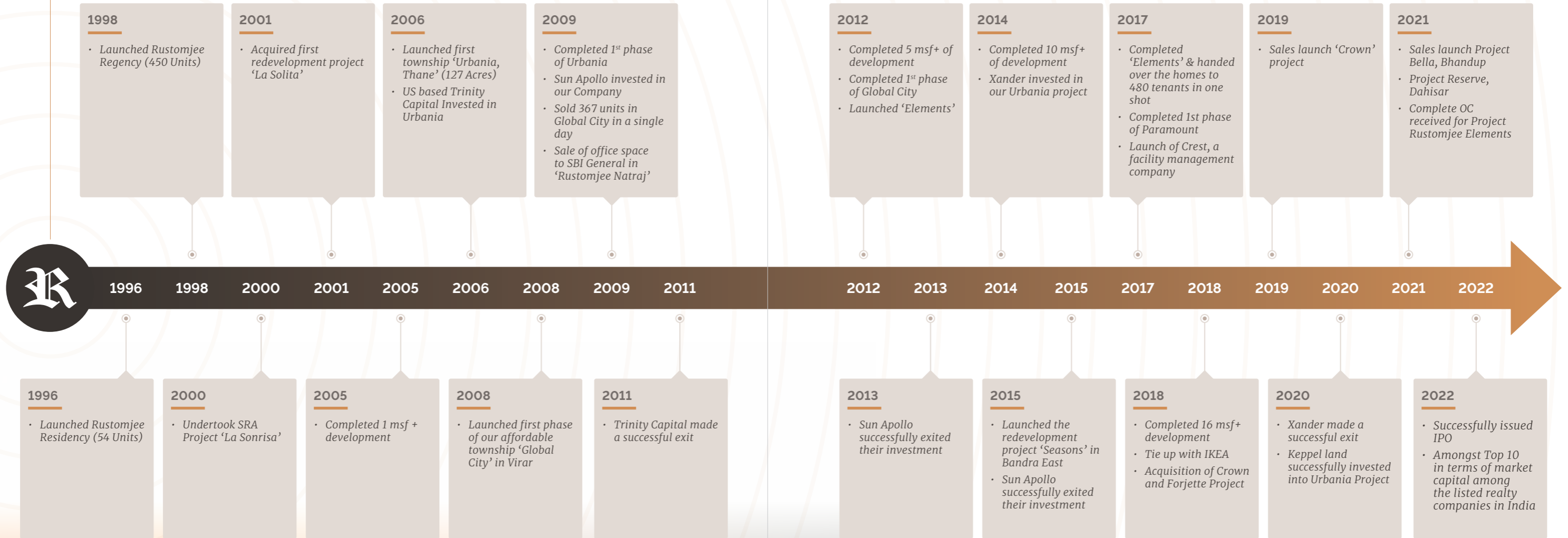
A- (Stable)
CREDIT RATING BY ICRA

13
ONGOING PROJECTS

22
FORTHCOMING PROJECTS

*Doesn't include 435 resources of our property management entity and 5 in our real estate business

Our Journey



Shot at Location - Rustomjee Paramount

Through our journey of 27+ years, we have steadfastly focused on being 'thoughtful', paying utmost attention to little details and creating spaces that families and communities would love coming home to. Rustomjee is not just about the 20+ Million square feet we have built and delivered, but the numerous lives that we have transformed in the process.

Presence

Completed Projects

T00 Townships

01. Global City, Virar (Phase 1 & 2)
02. Urbania, Thane (W)*

R00 Residential Projects

03. Elements, Off Juhu Circle
04. Seasons, Bandra (E)
05. Meridian, Kandivali (W)
06. Elanza, Malad (W)
07. Elita, Andheri (W)
08. Paramount, Khar (W)
09. Ozone, Goregaon (W)
10. Oriana, Bandra (E)
11. Acres, Dahisar (W)
12. Adarsh, Malad (W)
13. Yazarina I, Dadar Parsi Colony
14. Ciroc, Juhu
15. Raag, Goregaon (E)
16. Shimmer, Juhu
17. 7 JVPD, Juhu
18. 9 JVPD, Juhu
19. Central Park, Andheri (E)
20. Buena Vista, Bandra (W)
21. La Sonrisa, Matunga (E)
22. La Solita, Bandra (W)
23. La Roche, Bandra (W)
24. Orva, Bandra (W)
25. Riviera, Malad (W)
26. Meadows, Mahim (E)
27. Gagan, Goregaon (E)
28. Pinnacle, Borivali (E)

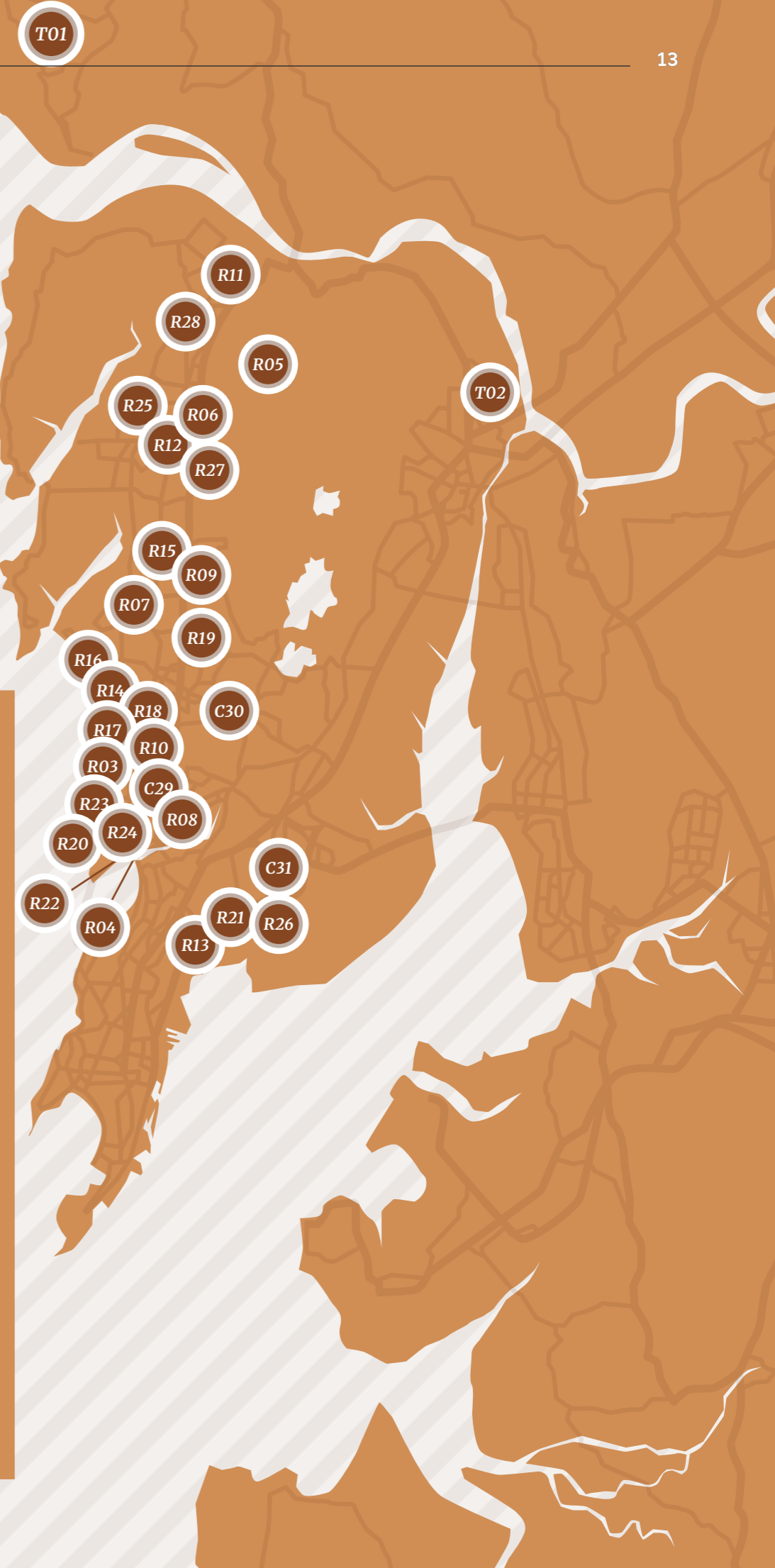
C00 Commercial Projects

29. Sangam, Santracruz (W)
30. Natraj, Andheri (E)
31. Aspiree, Sion (E)

Notes:
(1) Urbania is JV project, our economic interest is 51%.



At Rustomjee, our projects are the result of collaborative efforts from architects, behaviourists, psychologists, environmentalists, designers, artists and landscape experts. This multi-disciplinary approach, known as design thinking, creates spaces filled with adventure, friendships, family time and fun. Our designs accommodate a work-life balance, allowing for jam sessions under the stars or poolside cocktails with friends.



Presence

Ongoing Projects

T00 Townships

01. Global City, Virar (Affordable)
02. Uptown Urbania, Thane (W)* (Mid and Mass)

R00 Residential Projects

03. Crown, Prabhadevi* (Super Premium/Premium)
04. Bella, Bhandup (W)* (Mid and Mass)
05. Paramount, Khar (W) (Aspirational)
06. Erika, Bandra (E) (Mid and Mass)
07. Parishram, Bandra (W) (Super Premium/Premium)
08. Summit, Borivali (E) (Mid and Mass)
09. Yazarina III, Dadar Parsi Colony (Aspirational)
10. Ashiana, Juhu (Super Premium/Premium)
11. Aden, Bandra (E) (Aspirational)

C00 Commercial Projects

12. Central Park, Andheri (E)
13. Eaze Zone, Goregaon (W)

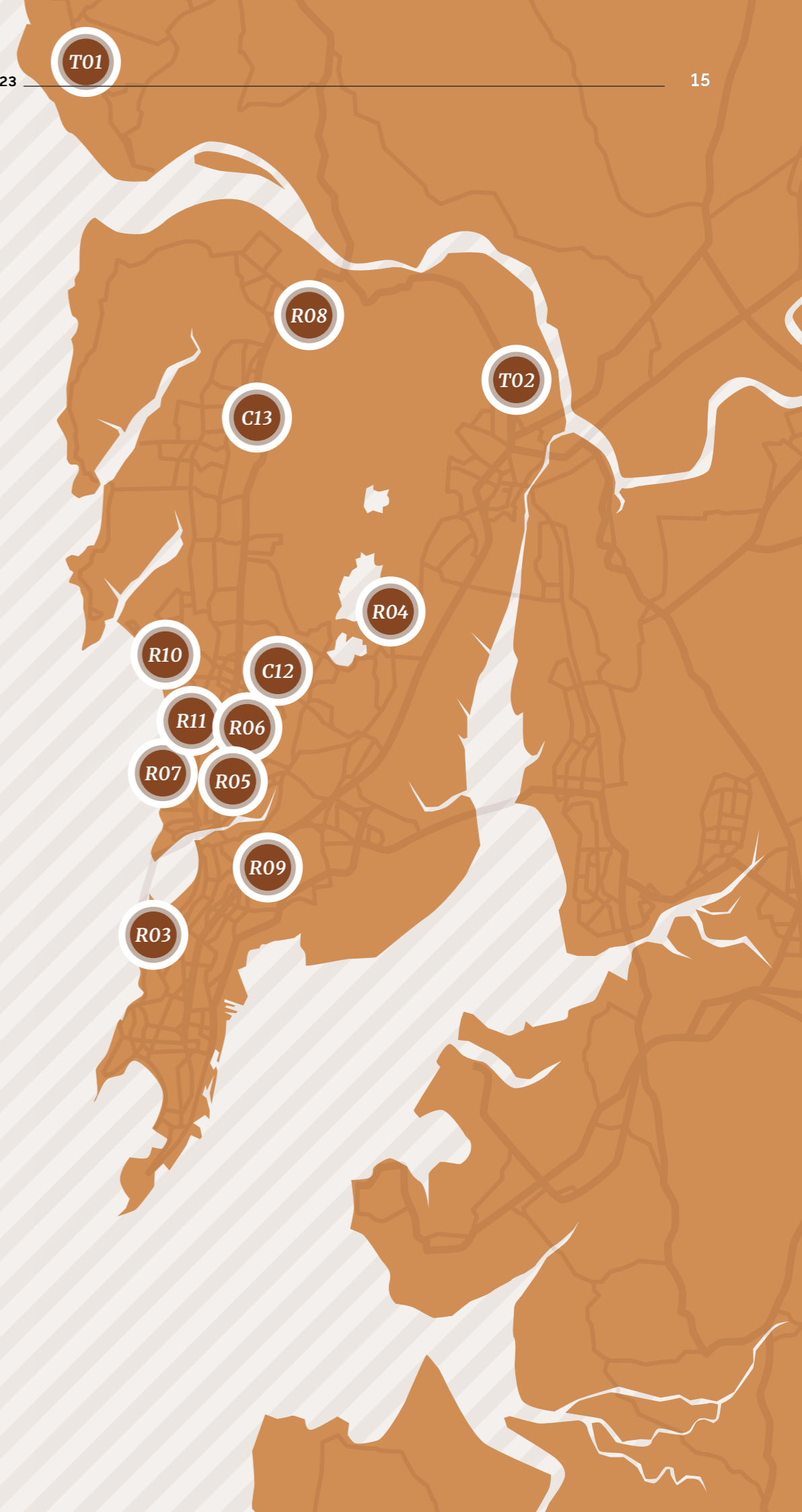
Notes:
(1) Urbania is JV project, our economic interest is 51%. | (2) Crown is a DM Project, our DM Fees is the balance project surplus. |
(3) Bella is JV project, our economic interest is 58%.

Customer Segments

Keys:

(In ₹ Million)

SUPER PREMIUM	>150
PREMIUM	70-150
ASPIRATIONAL	30-70
MID AND MASS	10-30
AFFORDABLE	<10



Presence

Forthcoming Projects

T00 Townships

01. Urbania, Thane (W)* (Mid and mass)
02. Global City, Virar (W) (Affordable)

R00 Residential Projects

03. Bandstand, Bandra (W) (Super Premium/Premium)
04. Cliff Tower, Bandra (W) (Super Premium/Premium)
05. Ambedkar Nagar, Khar (W) (Aspirational)
06. MIG 64-Gandhinagar, Bandra (E) (Aspirational)
07. Charkop, Kandivali (W) (Mid and mass)*
08. Dnyaneshwar Nagar, Sewri (Mid and Mass)
09. Garden Estate, Thane (W) (Mid and mass)
10. Jyotirling, Goregaon (E)* (Mid and Mass)
11. Ozone (Phase II), Goregaon (W) (Affordable)
12. Dombivli (Affordable)

C00 Commercial Projects

13. OB12 + 13, Bandra (E)
14. Urbania Commercial, Thane (W)

P00 Plotted Development

15. Khopoli (Affordable)

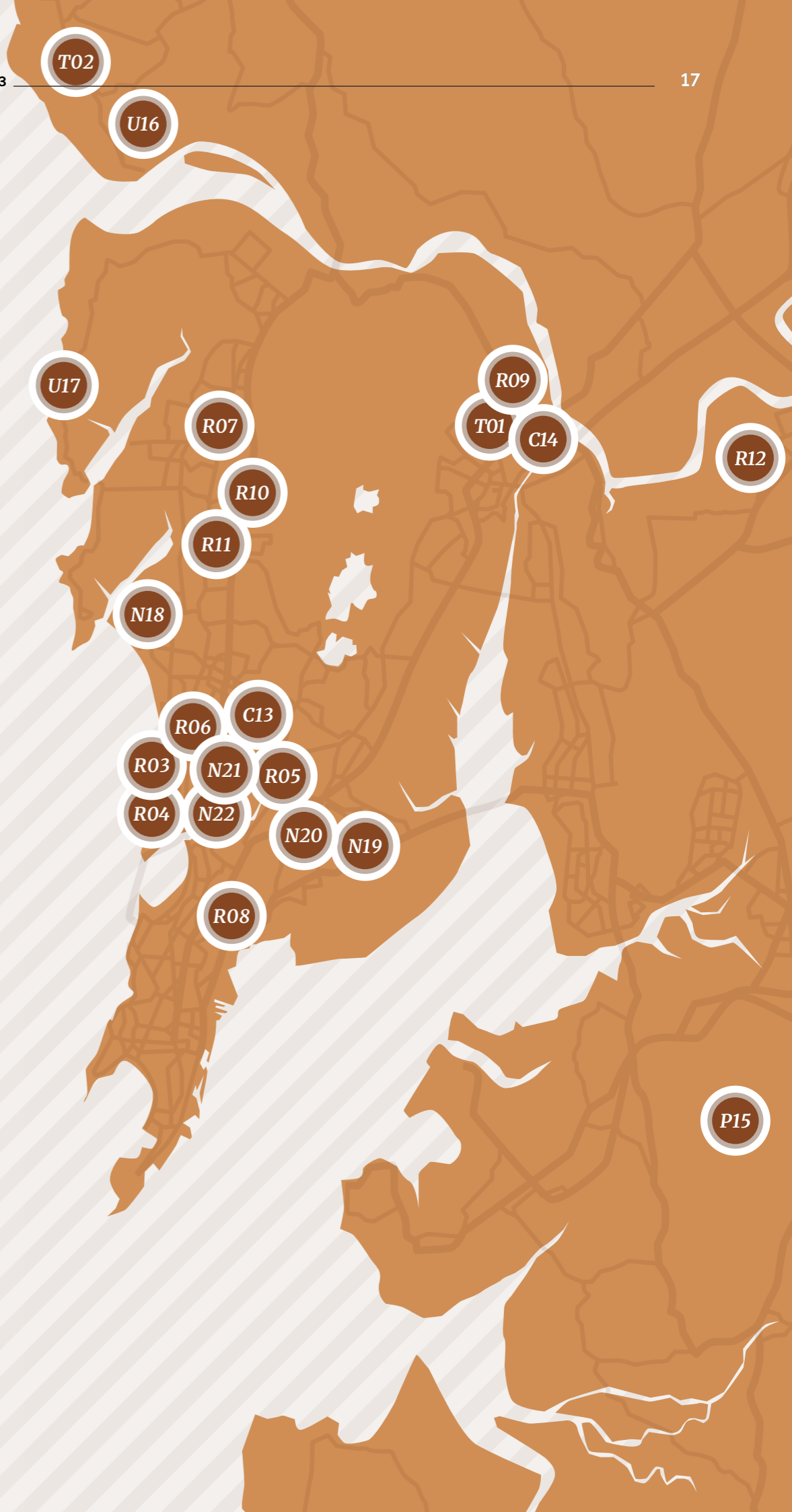
U00 Under Planning

16. Naigaon
17. Manori

N00 New Additions (FY 2022-23)

18. Sagar Tarang, Andheri (W)(Super Premium/Premium)
19. Basant Park, Chembur (Aspirational)
20. Jariwala Compound, Mahim (W)* (Aspirational)
21. Vivekanand CHSL, Bandra (E) (Aspirational)
22. Kher Nagar, Bandra (E) (Mid and Mass)

Notes:
(1) Urbania is JV project, our economic interest is 51%. | (2) Charkop is a JV Project, our economic interest is 73%. |
(3) Jyotirling is a JV project, Our Economic interest is 33.33%. | (4) Jariwala is a DM project with DM fee of 17% of the project revenue + Incentive fee



Ongoing Portfolio

Our diversified project suite encompasses a wide range of price points and presence in multiple micro-markets, giving us the flexibility to cater to the myriad needs, traditions and lifestyles of our customers and helps us navigate through the cyclical trend of the real estate industry. Brand Rustomjee operates across integrated townships, gated communities, standalone landmarks, retail spaces, commercial projects and social infrastructure like schools, clubhouses, and parks within the townships. We strategically introduce differentiated offerings and amenities based on the needs of the location and local community.



La Familia at Rustomjee Uptown Urbania
THANE W



La Vie at Rustomjee Uptown Urbania
THANE W



Rustomjee Seasons
BKC ANNEXE



Rustomjee Paramount
KHAR W



Rustomjee Bella
BHANDUP W



Rustomjee Crown
PRABHADEVI



Rustomjee Erika
BANDRA E



Rustomjee Global City
VIRAR



Rustomjee Cleon
BKC ANNEXE

Portfolio



↑
Rustomjee Ashiana
JUHU



↑
Rustomjee Aden
BKC ANNEXE



↑
Rustomjee Summit
BORIVALI E



↑
Rustomjee Parishram
PALI HILL, BANDRA W



**Launched Projects
across Segments**

RESULTING IN INCREASED
VISIBILITY AND STRONG BRAND
PRESENCE



**Present across the
Length and Breadth
of the City**

Launch of Alternate Investment Fund (AIF)



In FY 2022-23, we forayed into fund management through our subsidiary Mt. K Kapital, which received its license from SEBI for its first Category II Alternate Investment Fund (AIF).

Mt. K Kapital is an ESG impact fund focused on redevelopment projects in the MMR. It was created with the holistic view of being a differentiator in the real estate fund management business through a well-rounded, knowledgeable, thorough and integrated approach. The fund is managed by a core team of seasoned professionals with combined experience in the real estate development and fund management industry, having managed AUM of over ₹15,000 Crore and development upwards of 20 Mn. sq. ft.

The first fund launched under Mt. K Kapital is MT K Resi Development Fund – a ₹790-Crore ESG impact fund. The fund has already



achieved its first closure of ₹350 Crore worth of commitments with State Bank of India and FamyCare as anchor investors. We have also committed 20% contribution as a sponsor of the fund.

The core focus of the fund is on transparency, professionalism and integrity. An experienced independent Investment Committee (IC) and Project Management Company (PMC) to evaluate and monitor the projects ensure that the decision-making processes are fair, responsible and aligned with the interests of stakeholders.



Key Focus of the Business

With Rustomjee as a development partner, the fund seeks to align the interests of the investor and the developer, allowing the investor to participate in the development returns. The fund will focus on redevelopment projects in the MMR. The project selection process is guided by well-defined parameters in terms of the size and location of the project, initial investment requirements, ESG impact and the return-on-investment potential.



At Rustomjee, we believe in building homes that redefine their locations. Our townships prioritise community development & offer various amenities thus creating numerous opportunities for residents across age groups and cultural backgrounds to socialise and foster new bonds. They feature social infrastructure needed by the residents like top notch schools, healthcare facilities, and other lifestyle amenities. Our gated estates offer green spaces, luxurious amenities, and a vacation-like lifestyle.

Building a profitable business. Creating sustainable value.

Led by a vision to build communities and high quality homes, Rustomjee embodies sustainable value and innovation in the real estate sector. With an unwavering commitment to quality, our meticulously designed spaces surpass expectations, delivering exceptional living experiences.

By anticipating market trends and offering diverse solutions, we consistently meet the evolving needs. Our dedication to sustainability reduces ecological footprints, complemented by ethical practices that foster enduring relationships.

With our asset-light business model, we drive innovation and foster growth, setting benchmarks in India's real estate industry.

Letter from the Chairman & MD



Boman Irani
CHAIRMAN & MD

FY 2022-23 Highlights

699

(₹ IN CRORE)
HIGHEST-EVER COLLECTION IN Q4 OF A FINANCIAL YEAR

19

(₹ IN CRORE)
NET DEBT

1862

(₹ IN CRORE)
ROBUST YEARLY COLLECTION

3 New micro markets

DIVERSIFIED

3425

(₹ IN CRORE)
GDV

5 New projects

ADDED

Dear Shareholders,

I am delighted to share Rustomjee's first Annual Report after our successful IPO in FY 2022-23. This has indeed been a landmark year for your Company, marking our transition into a publicly listed Company. It serves as our commitment to growth, transparency and long-term value creation.

Rustomjee has grown from strength to strength in the last 27 years. We have built several landmarks that include gated communities, integrated townships, standalone towers, commercial and retail spaces in the MMR.

Redevelopment continues to be our strong focus area. Being one of the largest brands in this space, we have rehoused over 1,400 families so far.

The real estate industry, which is on a strong footing with a sustained upcycle of growth, is further fuelling our growth. The government of Maharashtra has an ambitious plan to implement public infrastructure projects such as Metro Network, Trans Harbour link, Coastal Road, Navi Mumbai International Airport, etc. These will have a transformative impact on the lives of common citizens and the real estate sector of Mumbai.

As per published data sources, the new launches in MMR in FY 2022-23 have gone up 18% compared to last financial year. Absorption from the new launches is up by 47% and overall absorption is up by 35% in FY 2022-23. As a result, inventory levels in MMR have gone down from 27 months to 18 months, indicating

a huge headroom for growth. MMR is a land of opportunity and as the Indian economy grows, your Company will see tremendous growth being one of the biggest brands in MMR.

Strong Financial Performance

Reflecting on the past year, we are delighted to report that the Company has demonstrated robust performance amidst the dynamic market scenarios.

During the year, your Company focused on further strengthening the balance sheet by reducing the debt, giving successful exit to equity partner and enhancing our collection efficiency thereby generating healthy operating cash flows. Your management

also ensured that we have a robust launch pipeline in place to capitalise on the ongoing uptrend. The Company is in a healthy liquidity position to accelerate our expansion plans.

Given the healthy pre-sales and collections of ₹1,604 Crore and ₹1,862 Crore, respectively, coupled with strong OCF and proceeds from the public offering, we have reduced the leverage and increased investments in new projects. Our net debt is the lowest ever at ₹19 Crore. A strong OCF coupled with reduced debt levels is reflected in the improved Credit Rating of "A-(Stable)" assigned by ICRA.

Rustomjee, as a group, forayed into the fund management in FY 2022-23 under the brand of Mt. K Kapital. The Company received approval from SEBI for the launch of a Category II AIF for its US\$ 100 Million maiden fund – the Mt K Resi Development Fund. The fund has achieved a first close with marquee investors such as State Bank of India and FamyCare. This fund shall further strengthen your Company's ability to add more projects under the Rustomjee brand.

Efficient Project Execution

The integrated real estate development model enables us to handle projects from start to finish using our in-house resources. We have built competencies for every stage of the property development life cycle.

The management's aim has been to improve our presence in the mid-mass and aspirational segments as these are the largest and fastest-growing segments in the MMR. During the year, your Company was selected as a preferred partner for the redevelopment of 5 projects. These additions are in line with our asset-light strategy. Further 85% of these additions in terms of GDV are from mid-mass and aspirational segments. Your management's

decision is data-driven & follows infrastructure growth to plan new developments. Our robust business development pipeline ensures consistent Y-o-Y growth in new project additions, supported by ample liquidity. Currently, we have 13 ongoing projects having saleable area measuring 4.94 Mn. sq. ft. and 22 forthcoming project having saleable area of 27+ Mn. sq. ft. having a GDV of ₹35,000 Crore. Given our healthy launch pipeline, we are working towards achieving presales growth of 25% Y-o-Y over the next 3-5 years.

Sustainability at the Core

While building state-of-the-art structures is our passion, it is not without ensuring sustainability and safety. Sustainable processes and design continue to be at the core of our operations.

In Rustomjee Seasons, we collaborated with a landscape consultant to deliver a natural and self-sustaining biodiverse 'Miyawaki' forest in an urban setting. Rustomjee Elements, on the other hand, boasts 190 trees specifically chosen to enhance the microclimate and biodiversity in the heart of the city. Rustomjee Crown will have 300 fully grown trees planted at the podium in addition to the shrubs and herbs that will dot the entire project. In addition, our projects are equipped with sewage treatment plants and EV charging stations. Moreover, we have received green building certifications for two of our projects – IBGC certification for Rustomjee Urbania and LEED certification for Nataraj by Rustomjee.

We have made considerable progress in our ESG practices. I personally believe that "What we measure is what we improve". Therefore, environmentally we have started our journey to measure our carbon footprint and tracked water usage, recycling efforts and hazardous waste management. Socially, we have improved labour

welfare compliance, enhanced human rights awareness, and achieved zero fatalities and high-consequence incidents. Our aim is to prioritise material ESG topics and set improvement targets for future progress.

Towards Higher Growth

At Rustomjee, our commitment towards building a happier world is what underlies our entire business strategy – bringing the community together and building spaces where people can converge and support and feel connected is at the core of what we do. We start our briefs to the architect with this single-minded focus. Each of our projects has several dedicated spaces that encourage people to come together and celebrate festivals, barbeque zones where friends can get together for a Sunday brunch and senior citizen zones where the older generation can come and find companionship.

Our journey so far has been possible due to the unflinching trust and unwavering support of our shareholders, customers, employees, and other stakeholders. I would like to express my deepest gratitude for your faith in our vision and your contribution to our success.

Your management takes the responsibility of the investors' trust very seriously.

We are committed to grow the investments, the trust and build value for our stakeholders.

With our strong business model, customer-centric approach, and a committed team, we are poised to navigate the future landscape and achieve our ambitious goals.

Best Wishes,

Boman Irani

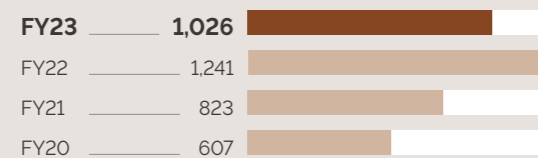
Key Performance Indicators

In FY 2022-23, we experienced considerable expansion, driven by significant revenue collection. We have made sizeable investments in fresh initiatives, staying true to our strategy of being asset-light & focusing on redevelopment. The impetus for infrastructure development in MMR also presented us with substantial opportunities, which we are effectively leveraging to our advantage.

Operational Performance

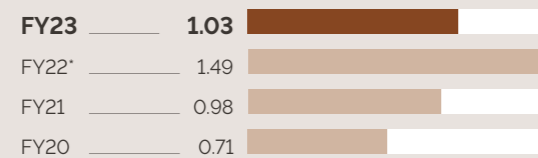
PRE-SALES

1,026 (In Units)



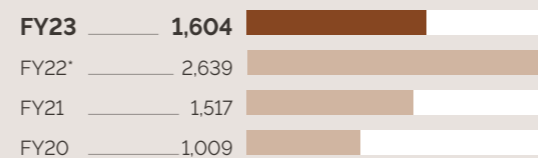
PRE-SALES SALEABLE AREA

1.03 (In Mn. sq. ft.)



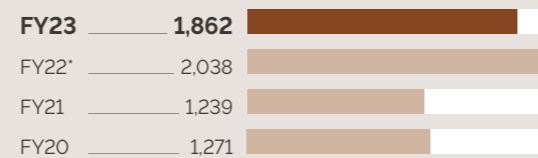
PRE-SALES

1,604 (In ₹ Crore)



COLLECTIONS

1,862 (In ₹ Crore)



*FY22 Pre-Sales include one off institutional sales of ₹ 631 Crores and corresponding Collections thereof admeasuring 0.22 Mn. sq. ft.

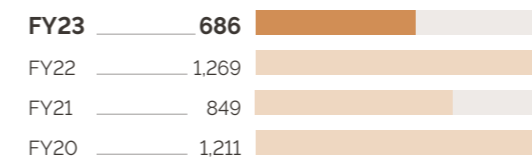


Shot at location - Rustomjee Elements

Financial Performance

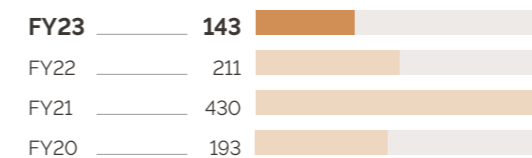
REVENUE FROM OPERATIONS

686 (In ₹ Crore)



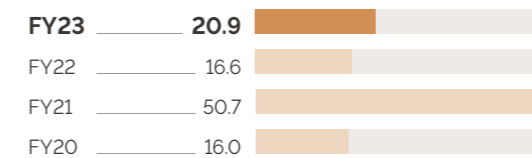
EBITDA

143 (In ₹ Crore)



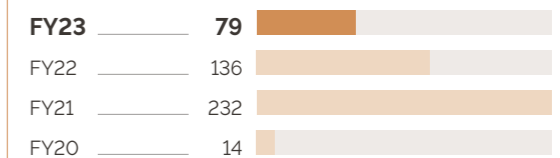
EBITDA MARGIN

20.9% (In %)



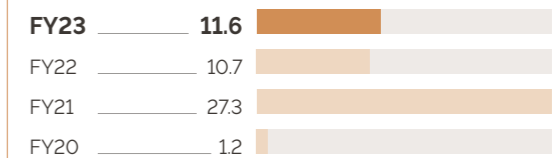
PAT

79 (In ₹ Crore)



PAT MARGIN

11.6% (In %)



Our commitment to excellence, innovative design and customer satisfaction have resulted in landmark projects that redefine urban living. We achieved robust results in the face of dynamic market scenarios, with the help of strategic decision-making and by staying true to our vision.

Business Model

At Rustomjee, our stakeholders are at the centre of what we do and we strive to create long-term value for them, consistently.

Inputs



Strong Performance

- Net worth: ~₹1,686 Crore
- Gross secured debt: ~₹452 Crore
- Pre-IPO/IPO equity: ₹730 Crores



Robust Execution

- CAPEX invested: ₹173 Crore in FY 2022-23
- Expenditure on construction: ~₹800 Crore in FY 2022-23
- Number of ongoing projects: 13



Skilled Workforce

- Employees: 554
- Employee expenses: ₹89.01 Crore
- Worker health and safety training: 516 hours



Long-term Relationships

- Channel partners: 15,421
- CSR spend: ₹2.6 Crore

Business Activities

01

OPERATIONS

1. Land acquisition
2. Approval
3. Planning
4. Execution
5. Completion
6. Post-handover support

02

PROJECT DEVELOPMENT

1. Market research
2. Go-to-market strategy
3. Sales and collection
4. Customer engagement
5. Property management

Outputs



Strong Performance

- Pre-sales: ₹1,604 Crore
- Collection: ₹1,862 Crore
- Highest Q4 collection: ₹699 Crore
- OCF: ₹459 Crore
- Net debt: ~₹19 Crore



Robust Execution

- Townships built: 2
- Residential properties built: 27
- Commercial properties built: 3
- Area completed: 20+ Mn. sq. ft.
- Area sold: 1.03 Mn. sq. ft. in FY 2022-23



Skilled Workforce

- Women employees: 21%
- LTIFR: 0.009
- Upskilled, motivated and experienced workforce
- Well defined career progression path for employees



Long-term Relationships

- Credit rating: A - (Stable) by ICRA
- Empowered communities

Strengthening our brand. Fostering trust.

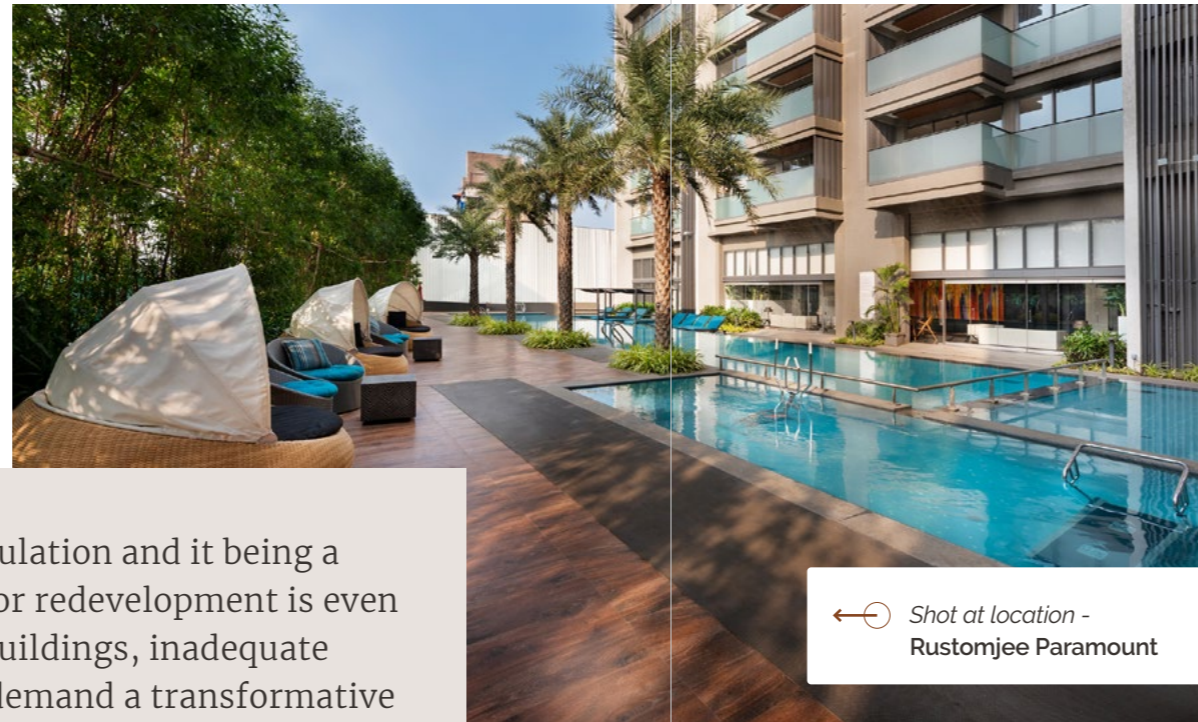
At Rustomjee, trust is the cornerstone of our success. Through transparency, integrity & ethical practices, we have masterfully built a reputation of unwavering trust among our stakeholders.

Meticulous attention to quality and craftsmanship have set us apart, while our commitment to sustainability resonates with socially responsible stakeholders.

We have consistently embraced innovation, anticipated market trends and taken calculated risks to stay ahead of the competition. By consistently pushing the boundaries and challenging the status quo, we have positioned ourselves as a brand that embraces progress and the changing needs of our stakeholders.

Our brand embodies trust, reliability and a dedication to stakeholder needs, fostering enduring relationships for long-term success.

Focused on Redevelopment

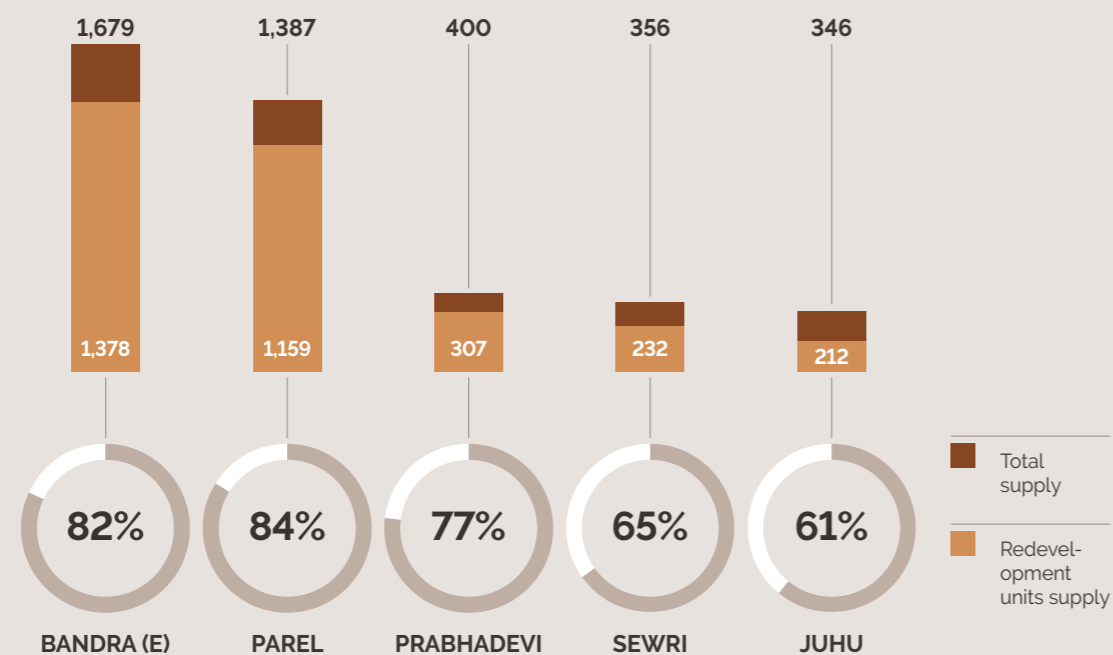


Amidst Mumbai's burgeoning population and it being a land-locked city, the imperative for redevelopment is even more pronounced. Deteriorating buildings, inadequate amenities, and urban congestion demand a transformative approach. Redevelopment offers a sustainable solution, revitalizing the city's landscape, optimizing land use, and ensuring improved living conditions.

In a city where physical expansion is limited, redevelopment stands as the primary avenue for growth, presenting Mumbai with a path to a more resilient, vibrant, and livable future for all its citizens.

SHARE OF REDEVELOPMENT UNITS VERSUS OVERALL SUPPLY IN MMR

(In no. of units launched between CY 17-21)



(Source: Anarock Report)

In this dynamic landscape, Rustomjee stands as a trusted and preferred redevelopment partner. With a track record of successfully rehousing more than 1,400 families and delivering over 15,000+ homes spanning more than 20 Million sq. ft., Rustomjee is a well-respected brand. The Company's reputation for excellence and commitment to quality make it the go-to choice for housing societies seeking a reliable and experienced partner in their redevelopment journey.

At Rustomjee, we are actively engaged in several redevelopment projects in Mumbai. We have taken the lead in unlocking the potential of such erstwhile locked land parcels

through meticulous planning, innovative architectural designs and sustainable development practices. We breathe new life into older neighbourhoods, transforming them into vibrant, contemporary communities. These projects often include the modernisation of residential apartments, the addition of state-of-the-art infrastructure and the creation of amenities and green spaces for recreational purposes. With the experience and expertise gained over the last 27 years, we have institutionalised the redevelopment process. We have laid down SOPs for WHAT is to be done and WHEN & HOW it is to be done.

Society Residential Redevelopment



Rustomjee: As a market leader in Society Redevelopment, brings years of experience, expertise, and a track record of successful projects, ensuring the best outcomes for society members

Society Members
Upgraded living spaces, enhanced amenities, increased property value, and improved quality of life

Government Authorities
Urban development makes efficient use of scarce resources like power and water, and addresses city's housing needs

Architects & Engineers
Professional growth, design challenges, and contributing to sustainable urban planning

Rustomjee
Mastered this business opportunity & built a strong brand in redevelopment contributing to sustainable urban growth

Focused on Redevelopment

Some of the projects we transformed



→ Before

→ After

Rustomjee Seasons

BKC ANNEXE

- 3.8 acres dedicated to luxurious lifestyles in the heart of Mumbai's premier business district, Bandra-Kurla Complex (BKC)
- One of BKC's largest redevelopment projects
- 168 residents rehoused within a span of 33 months
- 20+ amenities for residents to pursue their passion and talents
- Bespoke homes with state-of-the-art finishes and features
- State-of-the-art amenities and technology



→ Before

→ After

Rustomjee Paramount

KHAR (W)

- The only gated community in the Bandra-Khar West stretch
- 385+ members successfully rehoused
- 25+ amenities that enable residents to pursue their passions and build a community of like-minded people



→ Before

→ After

Rustomjee Oriana

BKC ANNEXE

- Located in a prime part of BKC
- 64 members rehoused
- Transformed from a dilapidated structure to a modern property offering every luxury



→ Before

→ After

Rustomjee Elements

OFF JUHU CIRCLE

- One of the biggest redevelopment projects with the resettlement of 480+ families
- The only gated community in the vicinity of Juhu
- Stalled project turned around with Rustomjee's diligence & commitment.
- Final agreement between Rustomjee and the society signed in January 2011.
- 1.3 Million sq. ft completed in 50 months
- OC received for all wings



→ After

Rustomjee Summit and Pinnacle

BORIVALI (E)

- Located at Borivali (E)
- Redevelopment involved 128 members across 2 societies
- Possession already handed over to the original members and the sale of the under-construction building in progress
- State-of-the-art amenities and technology



1,400+

FAMILIES REHOUSED



Shot at location - Rustomjee Elements



It has been a life-changing experience for me and the other society members after we shifted into the redeveloped building done by Rustomjee. From our old, dilapidated homes we upgraded to prestigious projects with more space, well-ventilated rooms and a host of amenities.

- Padma Rajan
TREASURER, EVERARD TOWER CHS LIMITED, SION (EAST)



We were obviously hesitant when handing over our homes to Rustomjee for Redevelopment. Looking at it now, it's the best thing we could have ever done.

- Anant Bhat
MEMBER, MODEL MIG CHS LIMITED, BANDRA (EAST)



I first heard of Rustomjee through family and friends who were happy in their Rustomjee homes. Later, my daughter also got admission to Rustomjee International School.

My perception is clear about Rustomjee, so I agreed to select them for our Redevelopment Project. And extremely happy that I did so.

- Virendra H. Joshi
TREASURER, RAJENDRA NAGAR CHS, BORIVALI (EAST)

Our redevelopment properties span the most sought-after locations in the city. In fact, we have transformed those properties into landmarks that have not only become the most desirable addresses in their neighbourhoods but have also turned their locations into attractive destinations. Across all our projects, we have strived to create better living spaces that help people spend quality time with their families. Today, our redevelopment projects are home to more than 1,400 families.

Growth Drivers



← Shot at location - Rustomjee Crown

There is significant thought, customer centricity and passion in everything we do. In the last two and a half decades, we have consistently moved ahead with our industry experience, values, capabilities and commitment to quality. Additionally, we have nurtured certain characteristics innate to brand Rustomjee that have given us an edge in the industry.



15,000+

HOMES DELIVERED



280+

COMPLETED BUILDINGS



13

ONGOING PROJECTS



22

FORTHCOMING PROJECTS

As on March 31, 2023



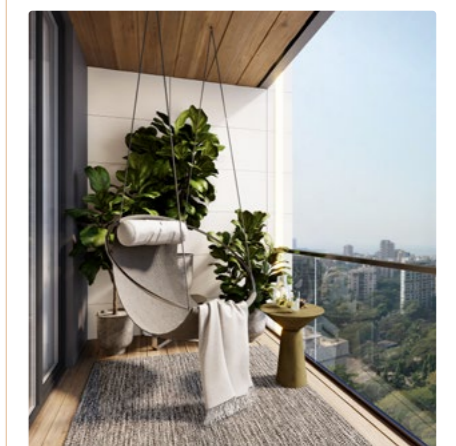
Well-Established Customer-Centric Brand in MMR

As one of the prominent real estate developers in terms of absorption in the number of units in the micro markets of Juhu, Bandra East, Khar, Bhandup, Virar and Thane, we are able to garner considerable premium in our pricing. Our projects cater to the affordable, mid and mass, aspirational, premium and super premium categories.

Our brand image has made us a preferred partner for stakeholders in the real estate development industry, particularly for re-development and stalled projects. Our reputation as a redevelopment expert, built on our extensive experience in undertaking redevelopment projects, has led us to secure additional projects over the past decade. Moreover, our brand strength and goodwill stems from our focus on customer satisfaction, which is instrumental in driving our growth.

Our research studies give us insights about our target demographics & psychographics, allowing us to design projects with their needs & aspirations in mind.

Our customer engagement efforts even after delivery and possession of the homes have strengthened our brand. Our post-handover and post-development services include furnishing, interior design, leasing, maintenance and community events. We also offer company wide initiatives promoting social relationships and community living.



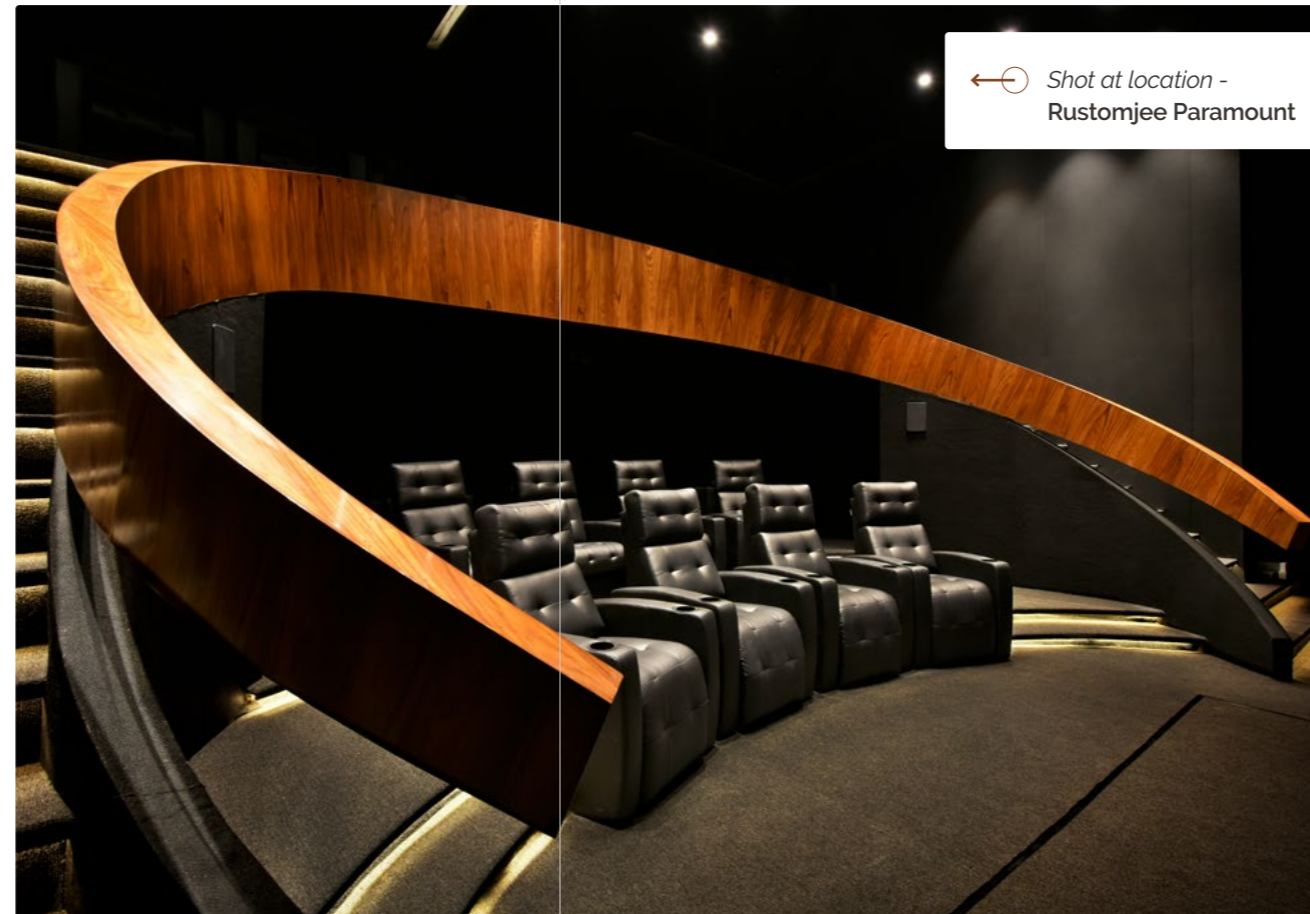
Competitive Advantage

A Well-diversified Portfolio and Strong Pipeline

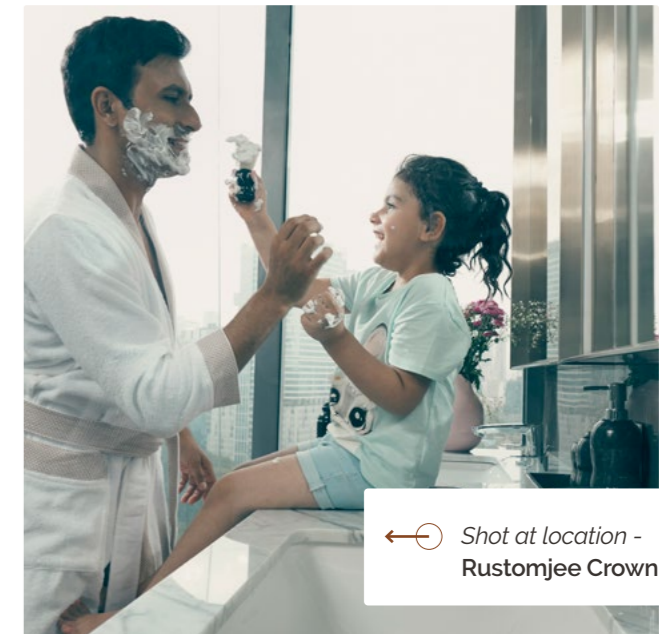
Our diversified presence across the micro-markets and segments has allowed us to hedge our revenue pipelines and shield them against the cyclical nature of real estate. Our gated communities and township projects are self-sufficient, offering a variety of amenities to cater to individuals of all ages, lifestyles, and professions. We also create ecosystems around our projects by building amenities such as schools, dining, retail, and entertainment centres, sports clubs, temples and amusement parks. Our focus is on nurturing communities and developing them.

At Rustomjee, we prioritise the safety and security of our residents. Our projects feature state-of-the-art security systems, emergency response systems, and fire & safety measures. Our core objective is to provide a secure, vibrant neighbourhood where families can spend time together and cultivate a sense of bonding within the community.

We also have a strong pipeline of ongoing and forthcoming projects across all categories. Some of them include Rustomjee Crown, Rustomjee Bella, Rustomjee Parishram, Rustomjee Ashiana, Rustomjee Uptown Urbania, Rustomjee Global City and new forthcoming projects at Chembur, Mahim, Dombivli, Sewri and more.



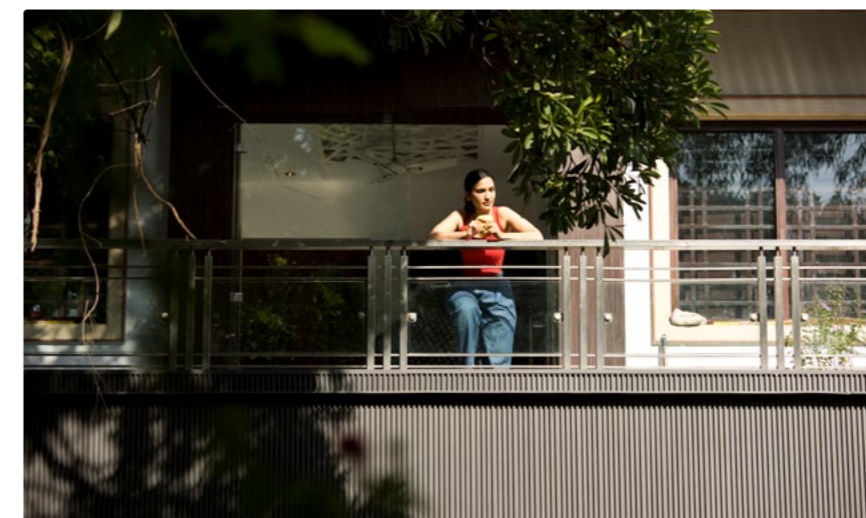
← Shot at location - Rustomjee Paramount



← Shot at location - Rustomjee Crown



→ Artist's Impression - Rustomjee Parishram



Asset-light and Scalable Model

Our business model involves joint development agreements and redevelopment projects with landowners and developers, and redeveloping housing societies. This significantly reduces our upfront capital outlay compared to outright

acquisition. We conduct extensive feasibility studies to identify suitable land for development or re-development based on location, price, infrastructure, and design constraints. Our experience in redevelopment has helped us to institutionalise and streamline the process of managing existing members and addressing their concerns.

We have maintained low capital investment through two key approaches – optimising upfront capital expenditure by leveraging joint development models and abiding by the finalised business plan. By prioritizing better return on equity and return on capital employed, we manage project risks effectively and maintain a balanced capital allocation.

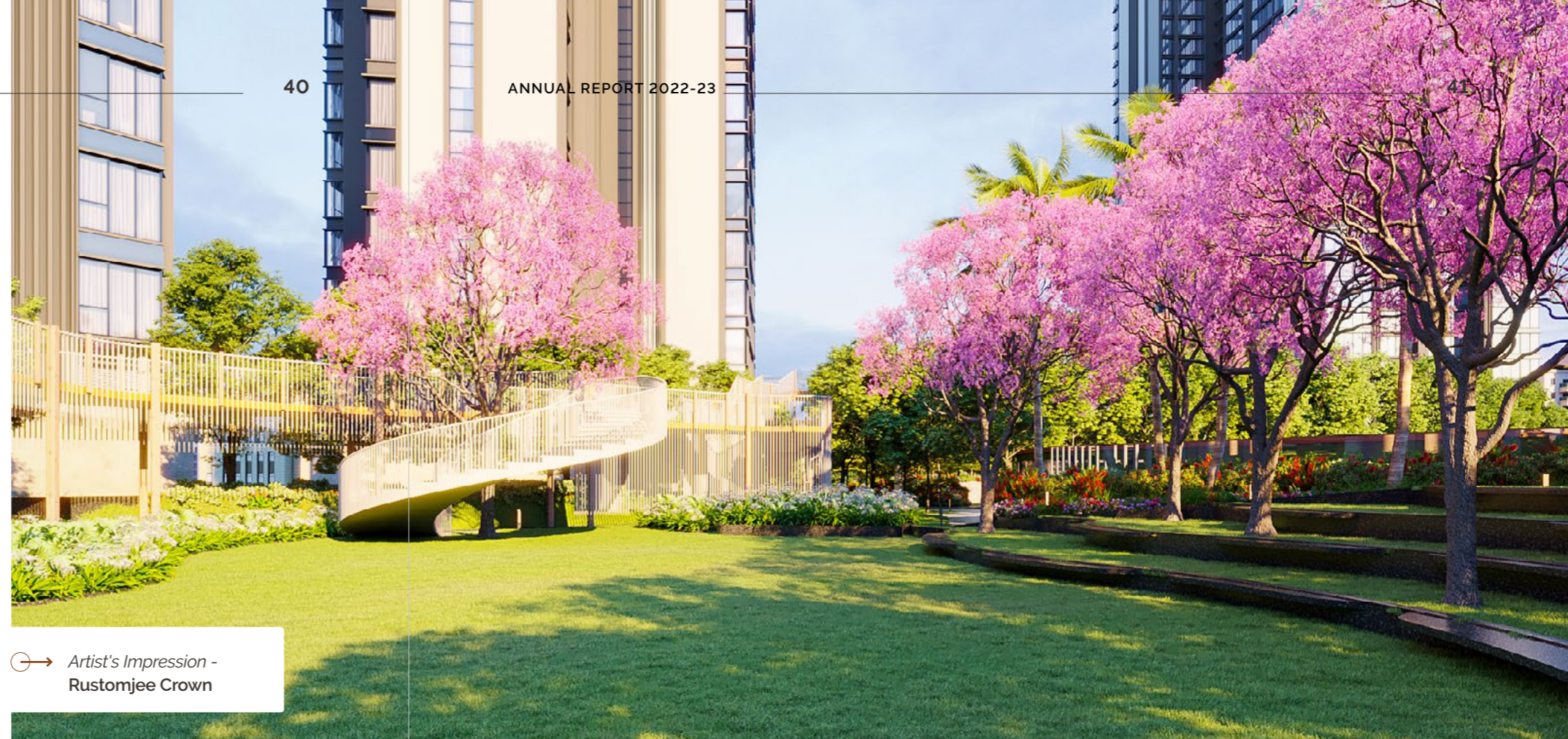
Our business model has made our business resilient and allowed us to record robust pre-sales from operations of ₹1,604 Crore in FY 2022-23. Moreover, our ability to generate consistent cash flows from operations allows us to operate our business on a lower leverage. As of March 31, 2023, we maintained a gross debt-to-equity ratio of 0.27:1 and net debt-to-equity ratio of 0.01:1.

Competitive Advantage

Demonstrated Project Execution Capabilities with In-house Functional Expertise

We have an integrated real estate development model, which covers every stage of the property development cycle. Our in-house teams are equipped with the necessary skills and expertise to execute projects from land acquisition to construction and delivery. We have developed a strong brand and reputation, a comprehensive development track record of developing all types of projects ranging from standalone towers to gated estates to integrated townships with infrastructural developments, like roads, schools, etc., and a deep understanding of the regulatory environment in the MMR. Additionally, we focus on designing amenities that meet the demands of our customers and maintain the desirability of our real estate portfolio.

Our in-house capabilities include:



Artist's Impression - Rustomjee Crown



1. Business Development/ Land Acquisitions

We rely on market research, trend analysis and landscape knowledge to build feasible business development pipelines and acquire land at a competitive cost.

We have an inhouse team which makes presentations to societies, focuses on site management including engaging with members on site.



2. Design/Architecture

Our design team comprising of horticulturists, architects, BIM specialists and interior designers focus on developing integrated projects and develop amenities that cater to various price points.

Our experienced team of planners, architects and partners support us in creating the best in class amenities for our residents that goes with our ethos of developing communities and creating quality living. We plan the homes and amenities considering the demographics and psychographics of the families to provide them the luxuries of life ahead of their expectations



3. Regulatory Compliance and Liaising

Our liaison team has deep knowledge of the processes and requirements necessary for obtaining regulatory approvals.

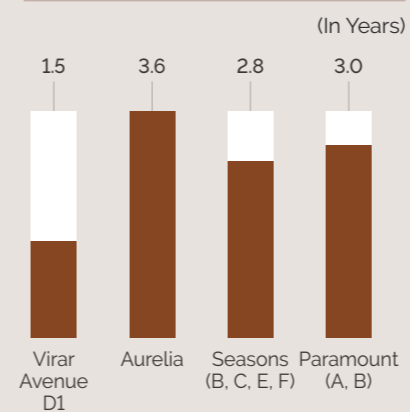
Developing land parcels and projects into high quality of living entails working closely with various government and approval bodies. Through thoughtful planning we aim to maximize spaces to enhance quality of living for our customers. It needs complete understanding of various rules and regulations and ability to procure approvals within timelines to avoid delays and over runs.



4. Execution

Our construction management team oversees construction and ensures that it is done efficiently and as per schedule. We, at Rustomjee lay great emphasis on the safety and well-being of the workers on the site. The team also ensures that the construction is done in a sustainable way with least discomfort through that journey.

TAT



5. Sales and Marketing

The sales and marketing team is responsible for executing cross-channel promotions that drive customer traffic through various mediums. Our dynamic marketing team is responsible for customer research, designing impactful campaigns, ensuring seamless product launches, using cutting edge technology including digital marketing techniques. Our teams are also responsible for organising customer & channel partner events and drive customer loyalty. To drive customer loyalty and bolster our sales, we have a proactive loyalty team that effectively cross-sells to existing customers, contributing to significant portion of total sales through Loyalty & Referral (L&R) programs. Furthermore, our Direct Sales team plays a significant role in acquiring new customers and expanding the brand presence in the market.



6. Post-sales Service

We offer Facility Management Services to maintain the facilities of our properties until they are handed over to the residents. Additionally, we provide various other services such as interior design, financing and leasing solutions. By offering a comprehensive value proposition through continuous services, we aim to build long-lasting relationships with stakeholders and increase customer satisfaction.

In addition to our internal expertise, we also collaborate with external specialists to cater to our diverse range of operations, including architects, interior designers, landscaping experts, engineers, and building services consultants for the development and management of our projects.

Competitive Advantage

Providing Complete Solution

We offer a range of services to make the process of home buying quick and easy for our customers.



1. Finserve

- Customised banking products as per homebuyers' needs
- Hassle-free home loan process, right from sanction to disbursal
- Ensuring customers pay the lowest rate of interest and attain maximum funding from the bank
- A choice of reputed finance partners



2. Lease Smart

- Solutions to investors seeking rental returns
- Complete leasing solutions
- Licensee background check and verification
- Simplified documentation and registration
- A thorough inspection of the residence before the licensee moves in
- Assistance for booking movers and packers
- Introduction of the licensee to property management services in the society
- Complete the exit inspection jointly with the licensee



3. Fifth Wall Designs

- Interior design solutions with complete suite of services including
- Carpentry
 - Civil
 - Electrical
 - Plumbing
 - Soft furnishing



4. Crest

- Property management and hospitality services by best-in-class professionals
- Management of guests keeping in mind the privacy of the residents
- Competent technical team to monitor all equipments
- Certified and experienced staff for club management
- Concierge services



Robust Stakeholder Management

With a proven track record of successful project execution and strong stakeholder management capabilities, we aim to be a preferred partner for landowners and societies. Our philosophy is based on long-term partnerships built on a foundation of trust and synergy. Our ability to nurture relationships with a collective of landowners at one end and multinational codevelopers

at the other in joint developments provides us with a unique advantage to attract and execute large partnerships successfully.

Our business development team identifies and acquires strategic locations with good development and redevelopment prospects by offering unique value propositions to stakeholders. We have a proven track record for redeveloping and launching new projects once land (or land development rights) has

been acquired. We manage costs and closely monitor timelines to ensure they are completed within committed targets and budgeted amounts.

We also undertake some redevelopment projects however we typically undertake them as a last-mile partner capitalising on our development and marketing strengths.

Case in Point: Rustomjee Elements

Rustomjee Elements, off Juhu Circle, Mumbai was stuck for over five years. After Rustomjee took over the project, our onground team and stakeholder management structure ensured that all 480 families were relocated. We finished construction and handed over the redeveloped homes to the families within three years.

We have received Occupation Certificates for all the 173 luxury apartments. Rustomjee elements now commands a price premium of 61% over the average price relevant in the western suburbs.

(Source: Anarock Report)



Competitive Advantage

Embedding Technology in Our Operations

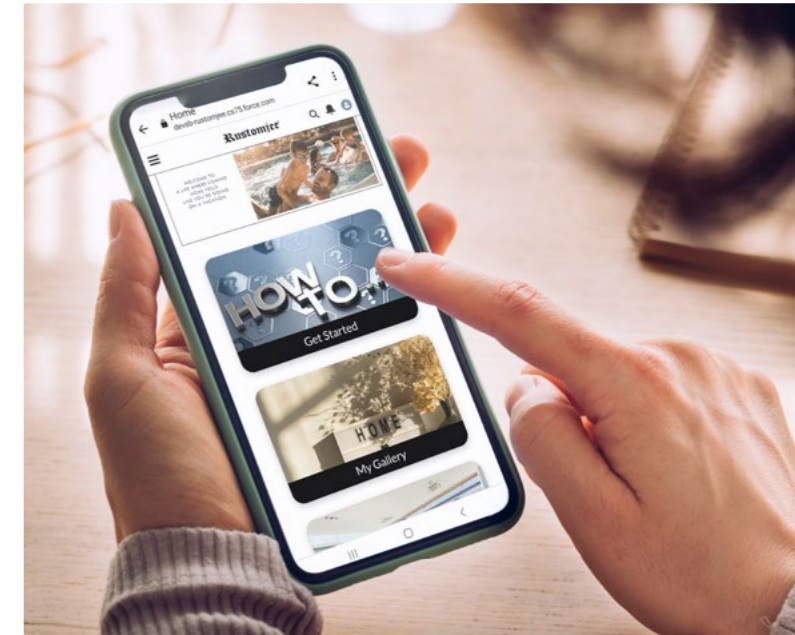
We utilise technology as a fulcrum of our operations, encompassing project planning, execution and managing customer relationships. The focus is on digitising all manual processes to reduce delivery timelines and improve quality of delivery. Real-time data assimilation and analysis helps reduce wastage and helps in managing our vendors efficiently.

We have implemented Building Information Modeling system (BIM) which helps us visualize the construction well in advance taking care of any interdisciplinary coordination issues and clash detection thereby reducing wastage & rework. It provides us valuable

insights in cost and quantity estimations and critical path analysis.

The BIM system is integrated with ERP system thus resulting in realtime status update for our vendors and contractors.

We enhance our customer experience through virtual reality and customer experience centres for project walkthroughs resulting in an immersive experience for our customers. Our CRM platform has automated our sales & marketing initiatives, reducing the lead time for decision making. To ensure efficiency of our Channel Partners we have created a dedicated CP portal on our website giving them seamless access to marketing collaterals.



Expert Leadership and Committed Employees

We are led by experienced Promoters and a professional senior management team, who provide direction for our growth.

Our senior management team are professionally qualified individuals from diverse industries. They bring in significant experience in their domain whether it is finance, marketing, legal, HR, and business development. Our construction & operations team members are handpicked from some of the best institutes in the country. Each of our projects is spearheaded by our project CEO who ensures operational excellence across various functions.

Inspiring sustainability. Exemplifying good governance.

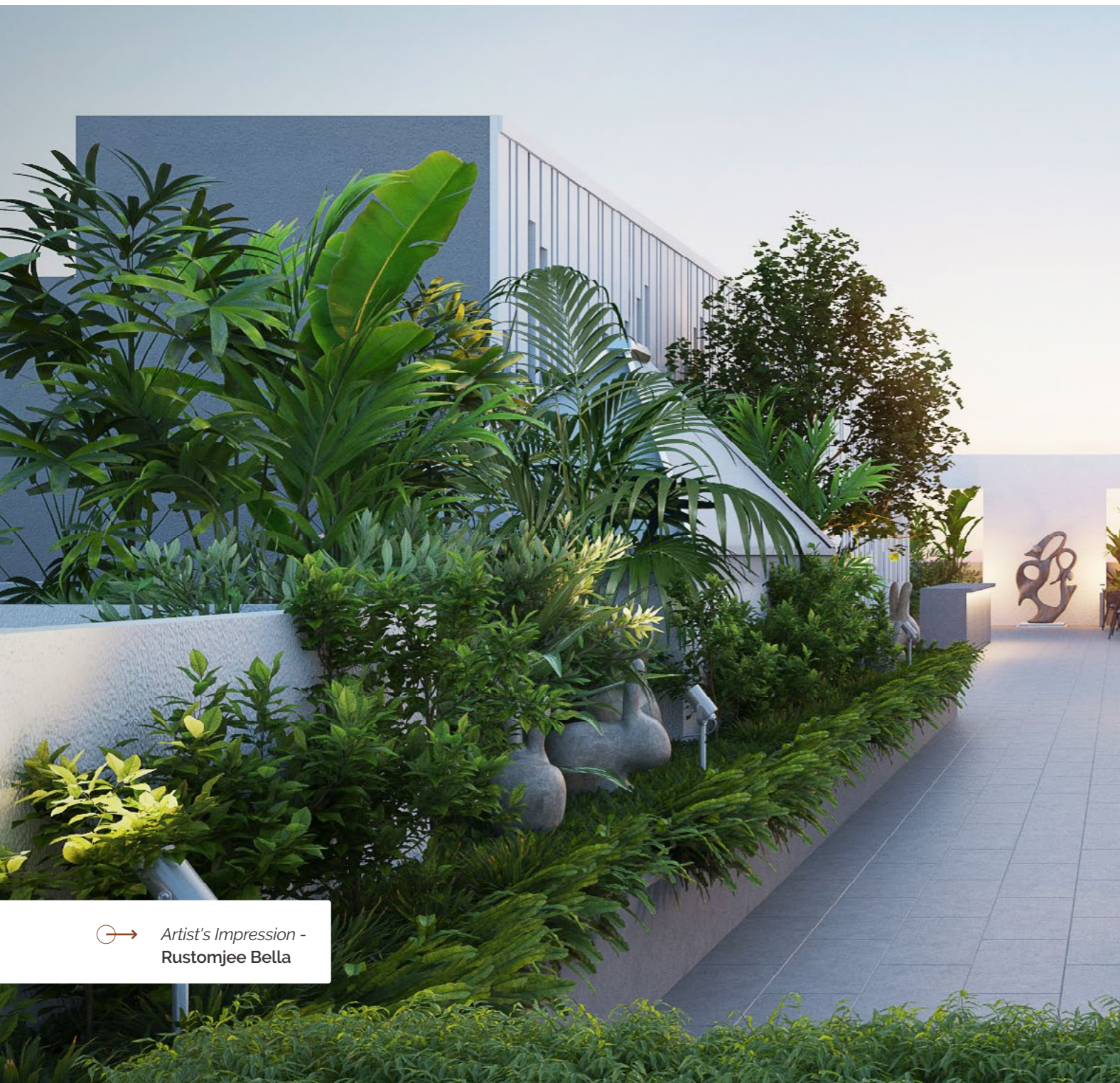
At Rustomjee, our constant focus on communities, employees, sustainability and governance drives our actions.

We actively engage with communities, co-creating vibrant spaces that meet their needs and foster growth. Our employees are our greatest asset, and we invest in their well-being and development to ensure a motivated and empowered workforce. Sustainability is

a core value, reflected in our eco-friendly practices and use of renewable energy sources. We strive to minimise our ecological footprint and contribute to a greener future. Upholding the highest ethical standards and transparency, we prioritise good governance in all our operations.

Our commitment to these principles defines us as Rustomjee, as we aim to make a positive impact on society and lead by example.

Committed to Environment Sustainability



→ Artist's Impression -
Rustomjee Bella

We prioritise environmental sustainability in our projects. We conduct a thorough environmental assessment and adopt a comprehensive approach to sustainable development from the early design phase to construction. Our in-house architecture and design team collaborates closely with our construction and execution team to create a comfortable living space for residents. Our smart designs focus on energy efficiency, including sensor-controlled lighting and the use of high-grade and energy-efficient equipment.



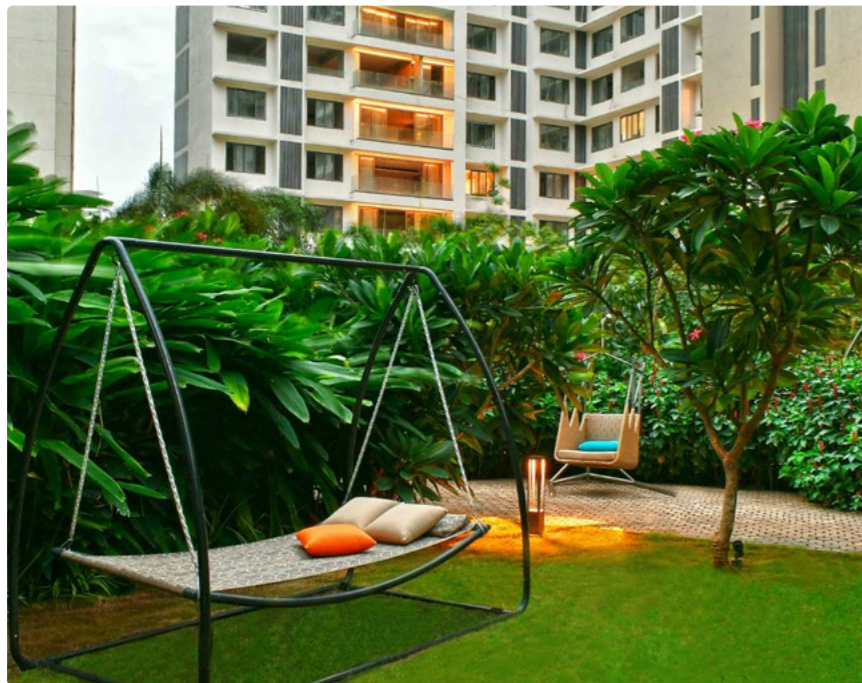
We provide plumbing fixtures which optimises the consumption of water and have installed Sewage Treatment Plants (STP) to recycle and reuse waste water for flushing and irrigation of green spaces/ landscape. We have installed a fully-functional and operational rainwater harvesting system. To imbue elements of flora and fauna in our gated communities and townships, we cultivate a biodiverse tropical landscape and have an in-house horticulturist who works closely with the site team and external consultants to ensure the health of our landscaped areas go through a rigorous snagging process before delivery.

Committed to Environment Sustainability

Case-Studies of Measures of Sustainability Undertaken on Some of Our Key Projects.

Rustomjee Urbania

Rustomjee Urbania is a 116.67-Acre residential township. For our latest launch, Rustomjee Uptown Urbania, we partnered with Singapore-based landscape architects COEN Design, who specialise in landscape design for multi-storeyed buildings. They have created the landscape at multiple levels, with each section featuring its own type of native plants. The building includes a green staircase connecting the top two recreational floors and amenities with trees, lighting, and features that are designed to introduce sufficient sunlight and airflow into the recreational spaces.

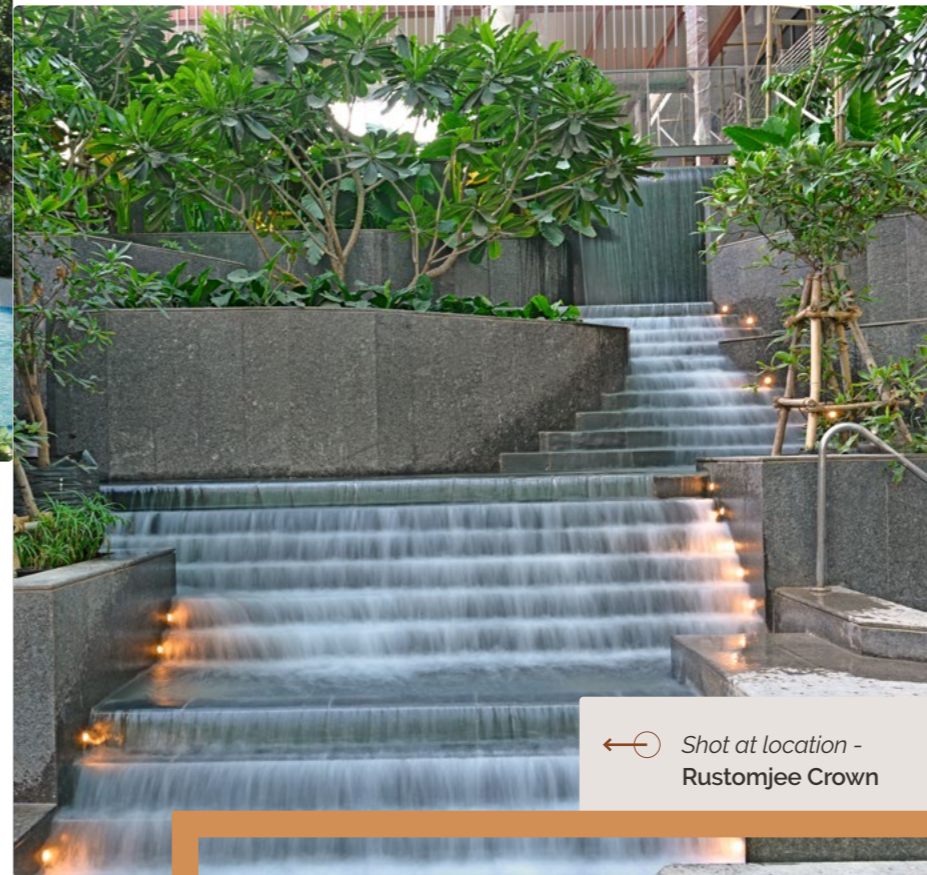


Rustomjee Elements

The expansive outdoor space boasts 190 fully grown trees and vegetation specifically chosen to enhance the microclimate and biodiversity in the heart of the city.

Rustomjee Seasons

We collaborated with a landscape consultant to deliver a natural and self-sustaining biodiverse 'Miyawaki' forest in an urban setting. We aimed to create a self-sustaining biodiverse living space where the ground covers, shrubs and herbs thrive without constant maintenance.



← Shot at location - Rustomjee Crown

We have incorporated environmentally-benign building concepts in our projects and aim to increase green cover to minimize our net carbon impact.

- Installed solar panels to generate electricity for common areas, resulting in reduced electrical usage
- Equipped our projects with sewage treatment plants, rainwater harvesting and wastewater management systems
- Implemented high-grade energy-efficient ACs and elevators for common areas, and sensor-controlled lighting for amenities and parking spaces
- Partnered with Tata Power to install electric vehicle chargers in several projects as part of our green initiatives
- Segregated wet and dry waste and install organic waste converters for wet waste treatment

Projects Certified by IGBC

The residential township Rustomjee Urbania has been certified by the Indian Green Building Council (IGBC) – Gold/Platinum – and the commercial project Natraj By Rustomjee has earned the LEED certification.

Empowering Communities



← Shot at location - Rustomjee Elements

At Rustomjee, community empowerment is our priority. By providing education, healthcare, and skill development opportunities, we enable personal growth and contribute to society. We involve residents in decision-making, creating a sense of ownership and pride. Inclusive engagement bridges gaps and fosters resilience. Together, we empower communities for a brighter future.

The Circle of Happiness

The Circle of Happiness is an initiative to spread the message of connecting people and building a sense of community. It is a space where people find a way to come together with their ideas, thoughts and emotions. This initiative was kickstarted by the eminent personality Dr. Robert Waldinger - who has directed the longest study on happiness at Harvard University. The study involved following 724 people over eight decades to identify the true drivers of health and happiness, the Harvard Study is a one-of-a-kind window into what helps people thrive.

Rustomjee has partnered with Dr. Robert Waldinger to present this unique learning experience. We are building spaces that bring people together - helping families realise the importance of close communities and relationships. In essence, we are building a happier, more connected world.

Dr. Robert J. Waldinger is an American psychiatrist, psychoanalyst and Zen priest. He is a Professor of Psychiatry at Harvard Medical School and directs the Harvard Study of Adult Development, one of the longest-running studies of adult life ever done.

The study that Dr. Waldinger has done tracked the lives of 724 men for over 80 years and now studies their Baby Boomer children to understand how childhood experience reaches across decades to affect health and wellbeing in middle age. He writes about what science can teach us about healthy human development. He is also the Founding Director of the Lifespan Research Foundation, dedicated to bringing insights of lifespan research to the general public.

We actively contribute to social causes, focusing on education, healthcare and environmental sustainability. By partnering with NGOs, we extend our reach to make a positive impact on society and improve the lives of communities in need.

3.76

(₹ IN CRORE)

CSR SPEND FOR FY 2022-23 (CONSOLIDATED)



NGOs We Supported

Aseema Charitable Trust

Providing high-value-based education to children from marginalised communities in Mumbai and remote tribal communities in Igatpuri, Maharashtra

Shree Ramkrishna Shikshan Mandal Trust

Promoting education and cultural activities among children, including hearing impaired and mentally handicapped children.

M/s Bai Jerbia Wadia Hospital for Children

A 525-bedded pediatric hospital for providing free or subsidised comprehensive healthcare for children

Rustom Irani Foundation

Providing education to help underprivileged and differently-abled children

Rescue Foundation

Fighting human trafficking, providing shelter homes and training centers with various educational, vocational and recreational activities

Reachout Foundation

Empowering under-privileged children and youth in healthcare, education and social welfare, and animal welfare

Bal Asha Trust

Providing destitute children with a safe home, healthcare, nutrition, and medical and educational support

Prioritising Our People



At Rustomjee, we firmly believe that excellence is forged by the individuals who drive our strategies and shape our processes collectively. Their expertise and dedication are pivotal in ensuring customer satisfaction and overall growth. We meticulously select top-tier talent and actively engage with them, fostering a passionate, customer-centric team devoted to delivering exceptional experiences.

Graduation day @ Rustomjee



Our Talent Acquisition Strategy excels through employee referrals, networking at industry forums, HR events, and leveraging platforms like LinkedIn. Beyond talent acquisition, our team embraces a core mantra—adhering to the highest standards of corporate governance, compliance, and ethics across our operations. This commitment guides our plans, building a foundation of trust, quality, and integrity that sets us apart in the industry.



The BSE moment

Culture at Rustomjee

Our Company culture embodies high performance, trust, ethics, and innovation, driving top-tier corporate governance. We embrace human values, extending compliance support to contractors, laborers, and families. Initiatives to educate them about welfare schemes, underlining our commitment to their well-being and overall upliftment.

To amplify a culture of transparency and quality corporate governance, we've launched initiatives that infuse our values throughout the group. Key policies include:

- Whistleblower Policy
- Sexual Harassment Prevention Policy
- Information Security Policy
- Confidentiality Policy
- 'No-Gift Acceptance' Policy
- Equal Opportunities Policy

- Customer/Stakeholder Protection Policy and
- Environmental Commitment Policy

These policies align with our core values:

- 1. Customer Focus:**
Meeting customer needs passionately, tracking satisfaction, and driving improvements.
- 2. Integrity**
Upholding honesty, accuracy, and commitments, avoiding undue benefits.
- 3. Commitment to Deliver**
Pursuing measurable results, tenaciously aiming for stretched goals.
- 4. Long-term Partnership**
Fostering enduring relationships with stakeholders while accommodating their needs.

At our operational core, we infuse human values throughout our teams, resources, and ecosystem. Despite the traditionally informal real estate landscape, we proactively embrace full regulatory compliance, both in letter and spirit. These measures profoundly impact our extended families, including contractor personnel, on-site labor, and their camp-residing families. Through various initiatives, we educate them about welfare schemes and benefits like Building and Other Construction Workers (BOCW), Contract Labor Act (CLA), Employees' State Insurance Corporation (ESIC), and more. Prioritizing their well-being and education, our goal is to foster a nurturing environment that uplifts lives and ensures overall welfare.

Prioritising Our People



← Women's Day celebration



10+
YEARS AVERAGE
TENURE OF OUR SENIOR LEADERSHIP



21%
OF OUR EMPLOYEES
HAVE COMPLETED 10+ YEARS WITH US



32%
OF OUR EMPLOYEES
HAVE BEEN WITH US FOR 5+ YEARS

Ensuring an employee-friendly workplace

During the year, we moved to a 5-day work week adding significantly to the work-life balance at Rustomjee. We continue to practice all our other employee-friendly policies: **Emergency Loan Policy**

- Flexi-Hour Policy
- Optional Leave Policy
- Mobile Reimbursement Policy
- Role-based Incentive Policy
- Employee Referral Policy
- Open-office Policy



Health & Fitness @ Rustomjee →



↑ Mumbai Premier League

Learning and Development

At Rustomjee, our culture fosters learning and growth, both internally and externally. Tailored to individual skill gaps, job requirements, and growth aspirations, these programs span functions. For forward-looking roles, coaching interventions ensure alignment with our future vision. We prioritize internal learning, especially for cross-functional teams like Sales & Marketing, enriched by external speakers. Select individuals also participate in executive education programs.

To reinforce our commitment, we've established a dedicated vertical. This embodies our belief in learning's significance and aligns it with our goals. By combining training needs, performance insights, and comprehensive solutions, we drive holistic development across the organization.

Insuring Our People

At Rustomjee, we prioritize employee well-being and insurance coverage through a wide range of policies:

- Medclaim Policies to all employees and up to six dependents, including their spouses, children and parents/in-laws. We also encourage & facilitate Top-up coverage for Medclaim
- Group Personal Accident Policies for extra protection
- Group Term Life Policies

We personally assist employees in accessing these services and ensure coverage for construction workers as well under Workman/Employee Compensation Policy. The workers drawing wages below ₹21,000/month are covered under the Employee State Insurance Act.

We value our employees and create a supportive work environment that encourages growth, innovation and collaboration. By investing in employee development programmes and fostering a culture of inclusivity, we ensure our team members thrive and contribute to the Company's success as well as their own.

↓ Good to Great Workshop



Corporate Governance

Our essence of 'It's thoughtful. It's Rustomjee' extends to ensuring fair and transparent business operations as well. We invest a significant amount of thought into following the best governance practices relevant to our industry and aim to achieve high levels of integrity, accountability and ethical behaviour in all aspects of our operations.

Board of Directors

Our esteemed Board guides the Company in the right direction and leverages its specialised expertise to achieve greater heights of success.



Boman Rustom Irani
CHAIRMAN AND MANAGING DIRECTOR

He is an Engineer by profession and has attended the Harvard Leadership Program. He founded the Rustomjee Group in 1996. He is currently the president of CREDAI National.



Ramesh Tainwala
NON-EXECUTIVE INDEPENDENT DIRECTOR

He holds a master's degree in Management Studies from the Birla Institute of Technology & Science. He was associated with Samsonite International S.A. as the Chief Executive Officer upto May 31, 2018. Presently, he is a Director in Samsonite South Asia Private Limited.



Percy Chowdhry
EXECUTIVE DIRECTOR

He holds a bachelor's degree in commerce from the University of Bombay. Associated with the Company since 1999, he's attended prestigious courses, including Harvard's real estate seminar.



Chandresh Mehta
EXECUTIVE DIRECTOR

He is an Engineer from IIT BHU and holds an MBA from Xavier's Institute of Management, Bhubaneswar. He is the face behind the Group's operational excellence.



Rahul Divan
NON-EXECUTIVE INDEPENDENT DIRECTOR

He is a member of the Institute of Chartered Accountants of India and the Institute of Chartered Accountants in England and Wales. He is associated with Rahul Gautam Divan & Associates, Mumbai as the founding partner since 2000.



Seema Mohapatra
NON-EXECUTIVE INDEPENDENT DIRECTOR

She has three decades of experience in Media and Entertainment, transitioning from leading BBC's South Asian Advertising to co-founding Ten Years Younger Productions. Additionally, she served on BBC Worldwide India's board and its Service Trust.

Keys

A AUDIT COMMITTEE

N NOMINATION AND REMUNERATION COMMITTEE

S STAKEHOLDERS' RELATIONSHIP COMMITTEE

C CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

R RISK MANAGEMENT COMMITTEE

CHAIRMAN

MEMBER

Corporate Governance

Senior Management Personnel

They Senior Management Personnel lay down strategies that will take the Company towards the vision of the Board.



Sajal Gupta
GROUP CFO & HEAD
CORPORATE STRATEGY



Bimal K. Nanda
GROUP COMPANY SECRETARY
AND COMPLIANCE OFFICER



Venkatraman B.
CHIEF OPERATING OFFICER



Rakesh Setia
PRESIDENT - SALES, MARKETING
& CRM



Anupam Verma
PRESIDENT AND CHIEF EXECUTIVE
OFFICER, OF OUR JV, KAPSTONE
CONSTRUCTIONS PRIVATE LIMITED



Mahesh Gera
GROUP CHIEF HUMAN RESOURCES
OFFICER



Harsh Chandra
PRESIDENT AND CHIEF EXECUTIVE
OFFICER



Atul Date
CHIEF OF PLANNING &
ARCHITECTURE



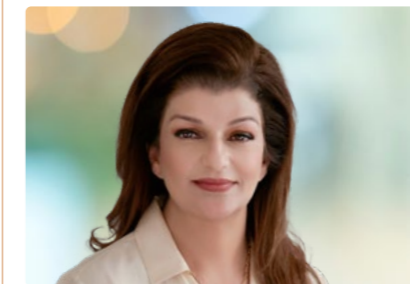
Vineet Mehta
VICE PRESIDENT - OPERATIONS



Manish Savant
PRESIDENT LIASONING OF OUR
JOINT VENTURE KAPSTONE
CONSTRUCTIONS PRIVATE LIMITED



Sreedharan Veede
VICE PRESIDENT -SPECIAL
PROJECTS



Jennifer Sanjana
PRESIDENT & PROJECT CEO



Binitha Dalal
ASSOCIATE VICE PRESIDENT



Siddharth Bhatt
CEO-CREST PROPERTY SOLUTIONS



Parag Saraiya
PROJECT CEO



Manish Randev
PROJECT CEO

Corporate Governance

Board Committees and Their Responsibilities

The Board of Directors is assisted by five Committees:

Audit Committee

- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company.
- Reviewing and monitoring the statutory auditor's independence and performance, and the effectiveness of the audit process.
- Approving payments to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval.

Nomination and Remuneration Committee

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulating of criteria for evaluation of the performance of the Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who qualify to become directors or who may be appointed in senior management

- in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance.
- Determining whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Analysing, monitoring and reviewing various human resource and compensation matters.

Stakeholders' Relationship Committee

- Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for the effective exercise of voting rights by shareholders Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Formulation of procedures in line with the statutory guidelines

- to ensure speedy disposal of various requests received from shareholders from time to time.
- To approve, register, refuse to register the transfer or transmission of shares and other securities.
- To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company.
- Allotment and listing of shares.

Corporate Social Responsibility Committee

- Formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects.
- Identify corporate social responsibility policy partners and corporate social responsibility policy programmes.
- Delegate responsibilities to the corporate social responsibility team and supervise the proper execution of all delegated responsibilities.
- Review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes.
- Any other matter that the Corporate Social Responsibility Committee may deem

Code of Conduct

The Code of Conduct emphasises corporate governance as the foundation for long-term management performance and for serving stakeholders while fostering a sense of pride in the organisation. It applies to the Board of Directors and members of the Senior Management team, urging them to prioritise the Company's interests and fulfill their fiduciary responsibilities. The Code is built on the principle that Directors and Senior Management executives must act with the utmost honesty, integrity, fairness, and ethical conduct. They are expected to exercise good faith and due care in carrying out their duties.

The Code sets strict regulations regarding the following:

Conflict of Interest

Disclosure Standards

Use of Company's Assets and Resources

Confidentiality and Fair Dealings

Insider Trading

Competition

Acceptance of Gifts and Payments

The Board of Directors reviews the Code periodically and updates it as deemed necessary.

[Read more about our Code, click here](#)

Policies

Anti-bribery/
Anti-corruption
Policy

Archival
Policy

Board
Diversity Policy

Code of
Conduct

CSR
Policy

Diversity and
Inclusion
Policy

Dividend
Distribution
Policy

Environment,
Health and
Safety Policy

Fair
Disclosure
Code

Familiarisation
Policy

Grievance
Redressal
Policy

Information
Security Incident
Management
Policy

Nomination and
Remuneration
Policy

Policy on
Materiality
of Events

Policy on
Preservation
of Documents

Policy on
Related Party
Transactions

POSH
Policy

Risk
Management
Policy

Sustainability
Policy

Vigil Mechanism
Policy

[For detailed information, refer to 'Corporate Governance' section on page 117.](#)

Risk Management Committee

- Formulating a detailed risk management policy for inter alia risk assessment and minimisation procedures.
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- Monitoring and overseeing the implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems, including cyber security.
- Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

appropriate after approval of the Board or as may be directed by the Board, from time to time.

Honoured Awards



Management Discussion and Analysis



Global Economic Overview

The world economy's earlier prospects of achieving a soft landing with lower inflation and steady growth have diminished. Stubbornly high inflation and recent financial sector turmoil have disrupted these tentative signs. Despite central banks raising interest rates and a decline in food and energy prices, underlying price pressures remain persistent, particularly due to tight labour markets in several economies. The rise in policy rates has led to banking sector vulnerabilities and fears of contagion across the broader financial sector.

Other major forces that shaped the global economy in 2022 continue to impact this year, albeit with varying intensities - high debt levels restrict the fiscal policymakers' ability to respond effectively to new challenges. Commodity prices, initially driven up by Russia's invasion of Ukraine, have moderated, but the ongoing war and geopolitical tensions persist. Economies heavily impacted by the COVID-19 outbreak, such as China, are showing signs of recovery, alleviating some supply-chain disruptions. However, increased uncertainty from recent financial sector turmoil contributes to downside risks.

The baseline forecast, assuming containment of financial sector stress, indicates a decline in global growth from 3.4% in 2022 to 2.8% in 2023, with a slow rise to 3.0% over five years - a historically low medium-term forecast.

While global headline inflation is projected to decrease from 8.7% in 2022 to 7.0% in 2023 due to lower commodity prices, falling energy and food prices, and declining supply chain pressures; underlying inflation is expected to decline more gradually. Most cases do not anticipate a return to inflation targets before 2025. Once inflation rates stabilise, structural factors are likely to drive interest rates towards pre-pandemic levels.

Policymakers face a narrow path to improve prospects and mitigate risks. Central banks would need to maintain a steadfast anti-inflation stance while remaining flexible to adjust policies and address financial stability concerns as needed. Fiscal policymakers would have to support monetary and financial policymakers in restoring inflation to target while ensuring financial stability. Governments would strive for an overall tight fiscal stance while providing targeted assistance to those most affected by the cost-of-living crisis.

Strengthening multilateral cooperation is essential to build a more resilient world economy, including bolstering the global financial safety net, mitigating the costs of climate change, and reducing the adverse effects of geo-economic fragmentation.

← Shot at location -
View from Rustomjee Crown

Management Discussion and Analysis



Shot at location -
Rustomjee Global City

Indian Economic Overview

The Indian economy has demonstrated its resilience by rebounding from the pandemic's impact and achieving a complete recovery in FY 2021-22. The economy has returned to pre-pandemic growth levels surpassing many other nations.

Managing inflation has been a challenge for India, further exacerbated by the European turmoil. However, through government and RBI interventions, along with easing global commodity prices, retail inflation has been successfully brought below the upper tolerance target set by the RBI.

Despite the relative strength of the rupee compared to other currencies, its depreciation remains a persistent challenge, especially with potential policy rate increases by the US Federal Reserve. The current account deficit (CAD) may widen due to elevated global commodity prices and sustained Indian economic growth. The loss of export stimulus is also a possibility as global growth and trade slow down.

Despite these challenges, India is consistently projected as the fastest-growing major economy by global agencies, with a growth rate of 6.5-7.0% in FY 2022-23. The resilience of the Indian economy, with private consumption as a leading growth driver, has contributed to this optimistic forecast. Private consumption has stimulated production activity, increased capacity utilisation across sectors, and generated employment opportunities, which is reflected in the declining urban unemployment rate and the accelerated net registration in the Employee Provident Fund.

India's economic resilience has been reaffirmed this year, successfully navigating external imbalances caused by the Russian-Ukraine conflict while maintaining growth momentum. FY 2022-23 has witnessed a near recovery of lost ground, rejuvenation of paused activities, and revitalisation of sectors affected by the pandemic and the European conflict.

FY 2023-24 is expected to witness robust growth driven by dynamic credit disbursement, capital investment cycles, and stronger balance sheets for the corporate and banking sectors. The expansion of public digital platforms and the implementation of initiatives such as PM GatiShakti, the National Logistics Policy, and Production-Linked Incentive schemes aimed at boosting manufacturing output will further contribute to economic growth.

Based on these factors, the Economic Survey forecasts a baseline real GDP growth of 6.5% for FY 2023-24. This projection aligns closely with estimates from reputable international organisations such as the World Bank, IMF, ADB, and domestically by the RBI. The real GDP growth outcome is expected to fall within the range of 6.0% to 6.8%, based on the trajectory of economic and political developments on a global scale.



Shot at location -
Rustomjee Elements

Real Estate Industry in India Overview

The real estate sector holds immense significance and has a substantial impact on GDP growth of the economy. It plays a vital role in generating employment opportunities as there are interlinkages between real estate and ancillary industries such as cement, steel, and consumer durables further contribute to economic growth. India, with its demographic profile and development trajectory, experiences a high demand for quality urban housing. This demand is expected to grow steadily as the country transitions from a low-income to a middle-income economy.

Despite global economic uncertainties and interest rate hikes, the Indian real estate industry has displayed resilience and maintained momentum. The housing segment, in particular, has witnessed notable growth, reflecting the underlying strength

Shot at location -
Rustomjee Urbania



of the demand for properties. The market for office spaces has also rebounded, returning to normalcy post-pandemic.

The Indian housing market has experienced remarkable growth, surpassing previous peaks. Sales have outpaced launches, resulting in reduced inventory levels. This supply-demand dynamic has contributed to moderate increases in capital values of homes. Additionally, housing brands have gained prominence, representing superior product quality, aspirational addresses, and timely delivery. The consolidation of branded tier-1 developers has further solidified the demand-side of the market. Moving to the Mumbai Metropolitan Region (MMR), it stands as India's largest residential market. With its higher capital values and profit margins, MMR is the most profitable market within the country. The region has witnessed significant absorption and launch numbers, indicating strong demand and market activity. The stable pricing growth has ensured affordability for homebuyers, complemented by salary growth across various industries.

Overall, the Indian real estate industry, including the vibrant MMR market, is poised for continued growth. The sector's positive

trajectory is driven by various factors, including robust demand, consolidation, and the emergence of branded developers. With favourable market conditions, the industry is well-positioned to meet the growing housing needs of the country.

Housing Market in India Overview

Key findings from a recent consumer survey conducted by Anarock research shed light on the sentiments of home buyers in India. The survey revealed that 61% of participants consider real estate as the preferred asset class for investment, outperforming stock markets, fixed deposits, gold, and others. Also, 58% of respondents expressed interest in purchasing homes priced between ₹ 40 Lakh and ₹ 1.5 Crore, with 42% favouring 3BHK configurations. The market continues to be driven by end-users, as 71% of respondents intend to buy properties for self-use.

In Q1 2023, housing sales in the top seven cities reached an all-time high, with approximately 113,770 units sold, representing a 14% Y-o-Y increase compared to Q1 2022. Demand for high-priced homes (above ₹ 1.5 Crore) played a significant role in driving this surge. Number of new launches also

Management Discussion and Analysis

increased, crossing the one Lakh mark and witnessing a 23% Y-o-Y rise, from 89,140 units in Q1 2022 to over 109,570 units in Q1 2023.

The inventory overhang in the top seven cities decreased to 20 months by the end of Q1 2023, down from 27 months in Q1 2022, reflecting a significant Y-o-Y decline of 7 months. This reduction is noteworthy as an inventory overhang of 18-22 months is considered healthy for the market.

Housing Market in MMR Overview

The housing market in the top seven cities, including MMR, is witnessed a strong sales momentum, fuelled by a robust supply of new residential units and attractive launch offers from developers. The post-pandemic surge in homeownership sentiment, driven by a desire for more stable and secure investments, further contributed to the market's success.

The Mumbai Metropolitan Region (MMR) holds the distinction of being India's largest residential market, with a contribution of over 30% to the absorption volume and approximately 45% in terms of value.

In terms of sales, the MMR and Pune, both located in the western regions, collectively accounted for over 48% of the total sales in the top seven cities.

MMR and Pune also dominated the new supply segment, contributing to 52% of the overall new launches in the top seven cities. Individually, the MMR witnessed a substantial increase of 58% in new supply, while Pune saw a 34% yearly rise.

MMR thereby holds the largest share of available housing inventory, accounting for 32% of the total, followed by the National Capital Region (NCR) at 19%, Pune at 17%, and Hyderabad at 13%.

Opportunities

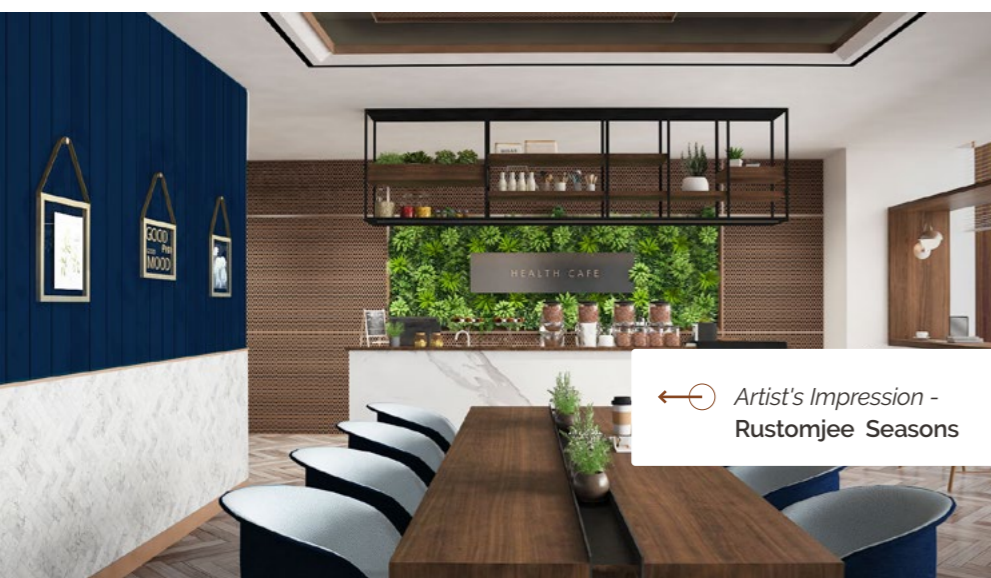
The fall of the markets in the fall of 2008, triggered by the bursting of the housing market bubble and subprime mortgage crisis, had a profound impact on global economies, including a 30% decline in housing prices in the US and a worldwide recession.

The Indian real estate sector was not immune to these consequences. Between March 2008 and March 2009, the real estate business in India experienced a significant downturn, with a 62% decline in revenues, a 58% decline in PBDIT, and a 78% decline in net profit. This decline was accompanied by a substantial drop in property prices, reduced demand for all types of properties, and a marked decrease in construction activities.

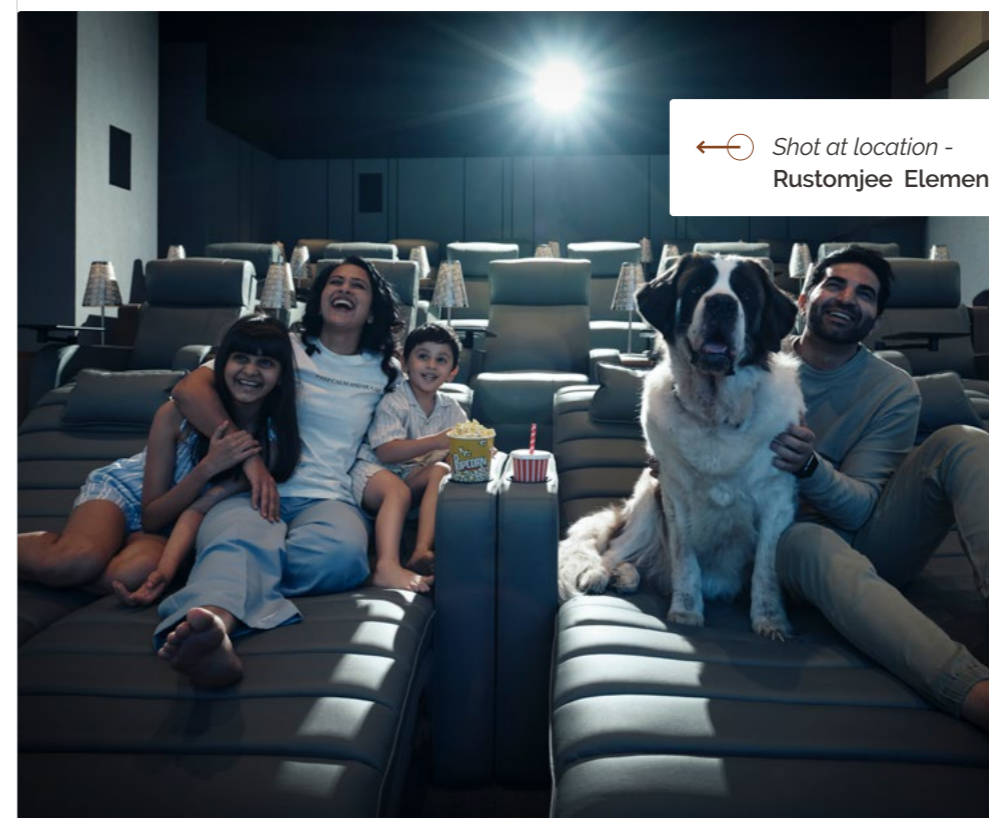
Subsequently, the Indian real estate sector faced a series of challenges, from the introduction of the RERA bill in 2013 and its subsequent passage, the demonetisation policy in 2016, the implementation of GST (Goods and Services Tax) in 2017, to the IL&FS-NBFC crisis in 2018, and the prolonged impact of the pandemic from 2019 to 2021. As a result, the Indian real estate sector struggled to fully recover from these setbacks.

However, amidst these challenges, the pandemic also brought about some positive changes, leading to the emergence of a new set of buyers in the market since 2022. Coupled with the resilient India story, there are now opportunities galore in the real estate sector:

- **Affordability:** Despite recent hikes by RBI, the interest rates on home loans are still lucrative, and continues to be lower than during the global financial crisis of 2008. Coupled with stagnant or slightly lower property prices, have improved affordability for potential buyers
- **Fear:** The pandemic-induced fear of uncertain situations has led individuals to consider owning a property for security and stability
- **Upgrade:** The need for larger and more comfortable living spaces has driven demand for ready-to-move-in properties, especially among families in metros
- **Work-from-home:** The shift towards remote work has enabled individuals to explore affordable housing options away from central business districts, leading to increased demand in suburban areas



← Artist's Impression - Rustomjee Seasons



Capitalising on Opportunities

Rustomjee is well-positioned to capitalise on the available opportunities in the market and continue delivering value to our customers:

- **Strong presence in MMR:** Over the years, we have learned, evolved and grown to become a prominent Mumbai Metropolitan Region (MMR) real estate developer with 20+ Million sq. ft. delivered

- **Asset-light and scalable business model:**

Generally our initial equity investment till the project is launched is around ~10% of the GDV, allowing for flexibility and scalability in our operations

**As an example, the initial capital investment as a percentage of total sales value for Seasons, Paramount, and Elements was 11.28%, 7.09%, and 6.31%, respectively*

- **Proven execution and stakeholder management:**

Our track record speaks for itself, as we have successfully executed various projects through Joint Development Agreements (JDAs), joint ventures, redevelopment initiatives, and Slum Rehabilitation Authority (SRA) projects. Our ability to effectively manage stakeholders sets us apart

- **Customer-centric brand presence:**

Rustomjee is known for its customer-centric approach, catering to a diverse range of price points. We prioritise the needs and preferences of our customers, ensuring their satisfaction throughout their real estate journey

- **Government support:** The government has implemented various measures, such as incentives for first-time homebuyers and tax benefits, to stimulate the real estate sector
- **Rapid urbanisation:** By 2046, ~50% of the population in India is expected to be urban, driving housing demand in the coming years
- **Increasing household income:** Between 2018 and 2030, ~140 Million households will be added to the high-income and upper-middle-income brackets, thus increasing the average spending power
- **Market share of major real estate markets:** The top seven cities, including NCR, MMR, Bengaluru, Pune, Hyderabad, Chennai, and Kolkata, continue to drive real estate demand
- **Redevelopment:** The redevelopment of old residential properties and industrial establishments is

a significant supply driver, especially in the Mumbai Metropolitan Region (MMR)

- **Positive homebuyer sentiment:** Increasing property prices, focus on sustainable development, attractive interest rates, and rising rental demand indicate positive sentiment among homebuyers

- **MMR real estate:** MMR will continue to grow at a high pace given the thrust on the infrastructure by the Govt. including significant projects like - Metro Network, Coastal Roads, Trans-Harbour Link, Bullet Train, Port Development, Navi Mumbai Airport, etc.

Overall, the Indian residential sector has witnessed strong sales and new launches, presenting significant growth opportunities. The real estate market is projected to reach \$1 Trillion by 2030, showcasing its potential for future expansion.

Management Discussion and Analysis

Strengths

These strengths collectively contribute to Rustomjee's competitive advantage in the real estate development industry, positioning us for continued success and sustained growth. In an ever-evolving and fragmented industry, we have established a trusted reputation by effectively leveraging our core strengths, including:

- **Diversified portfolio and strong pipeline**

Our portfolio encompasses various micro-markets, allowing us to hedge revenue pipelines and mitigate business fluctuations. Our gated communities and township projects offer a comprehensive range of amenities, catering to individuals of all ages, lifestyles, and professions. With ongoing and forthcoming projects across all categories, we have a robust pipeline of 37+ Million sq. ft for future growth

- **Asset-light and scalable model**

Our business model reduces upfront capital expenditures by leveraging joint development and redevelopment agreements. We maintain low capital investment by optimising costs and adhering to strict ceilings on capital commitments for each project. This asset-light approach ensures resilience, robust revenue generation, and operating on a lower leverage

- **Demonstrated project execution capabilities**

Our integrated real estate development model covers every stage of the property



development lifecycle. With in-house expertise in areas such as business development, design/architecture, regulatory compliance, execution, sales/marketing, and post-sales service, we possess the necessary skills to execute projects successfully with 20+ Million sq. ft already delivered. We also collaborate with external specialists to enhance our operations

- **Technology integration**

By leveraging technology, we optimise project planning, execution, and customer relationship management. Digitisation measures streamline processes, reduce delivery timelines, and enhance vendor management efficiency. We employ three-dimensional Building Information Modelling (BIM) software, SAP Enterprise

Resource Management (ERP), virtual reality, and digital experience centres to improve operational effectiveness and provide an immersive customer experience

- **Expert leadership and committed employees**

Our experienced promoters and professional senior management team provide strategic direction for growth. Our personnel possess diverse expertise in operations, design and development, finance, marketing, engineering, legal, human resources, and business development. Their industry knowledge allows us to anticipate market trends, identify emerging locations, and design properties aligned with customer preferences

Demand Drivers

1. Rapid urbanisation and increasing household income

Rapid urbanization and the rise in household income have emerged as significant demand drivers in the real estate industry, particularly in the mid and mass/aspirational segment. The ongoing trend of urbanization has led to a surge in the number of people moving to cities in search of better opportunities and improved lifestyles. This urban shift is expected to continue over the coming years, adding millions of households to the high-income and upper-middle-income brackets i.e. Mid and Mass /Aspirational Segment.

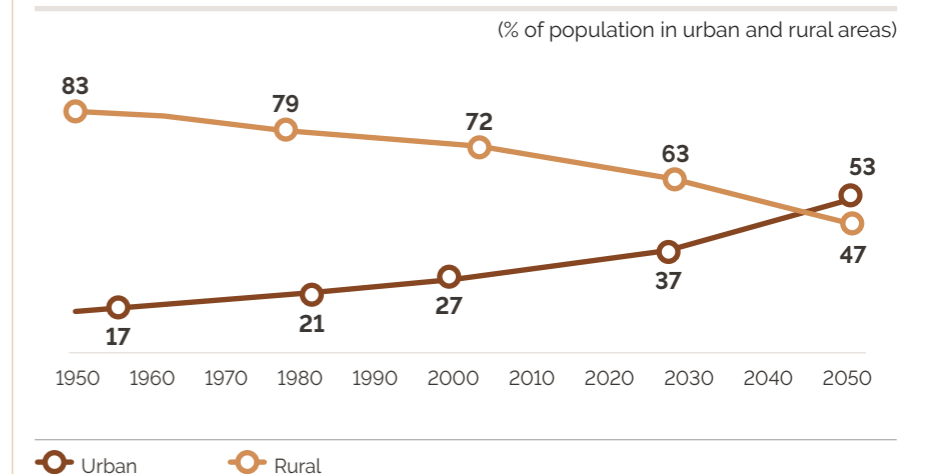
Between 2018 and 2030, approximately 140 Million households are projected to enter the high-income and upper-middle-income segments, resulting in a substantial increase in average spending power. This demographic shift creates

a favourable environment for the expansion of Mid and Mass /Aspirational Segment, as the majority of the new households will fall within this segment.

As a leading player in the real estate industry, we recognize the potential in this market segment and have positioned ourselves to capture this opportunity. Our extensive experience in delivering large-scale affordable and mid-income projects sets us apart in meeting the housing needs of this growing demographic. We have established a reputation for providing high-quality amenities and luxurious living experiences, even in our affordable and mid-income projects.

In line with our strategy to continue our focus on Mid and Mass/Aspirational segment we have 5 project in FY 2022-23 of which 85% represent Mid and Mass/Aspirational segment in terms of GDV.

RAPID URBANISATION OVER THE YEARS



(Source: Anarock Report)

Between 2018 and 2030, ~140 Million households will be added to the high-income and upper-middle-income brackets, thus increasing the average spending power.

- **Robust stakeholder management**

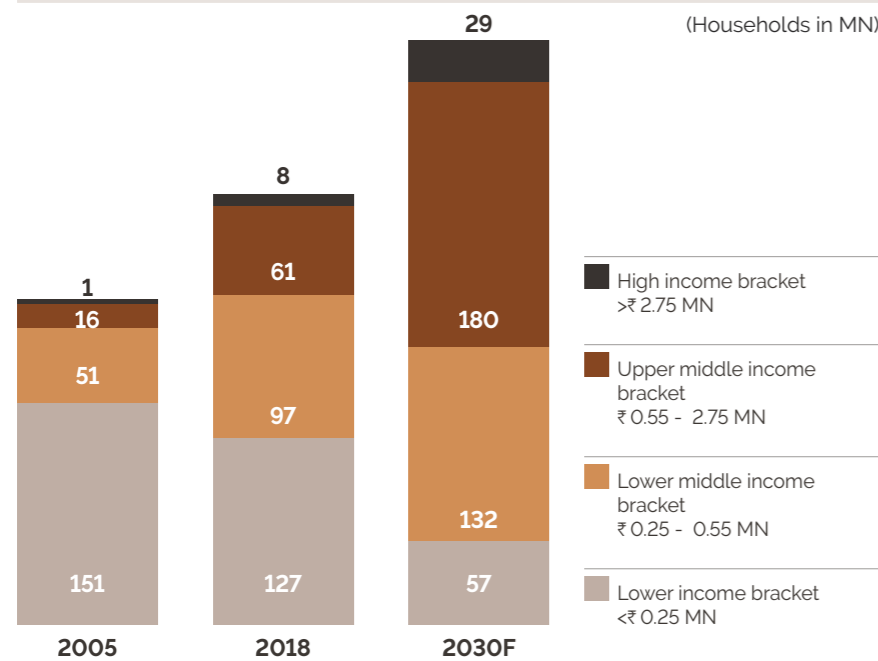
Our proven track record in strong stakeholder management establishes us as a preferred partner for land owners, societies, and financial institutions. We prioritise long-term partnerships built on trust and synergy. Our expertise in redevelopment, slum rehabilitation, and stalled project completion further strengthens our reputation

- **Customer-centric brand**

Our well-established brand in the MMR region has positioned us as a preferred partner for real estate development. We cater to a wide range of price points, offering projects that appeal to affordable, mid-range, premium, and super premium segments. Our focus on customer satisfaction and research-driven design ensures that our projects meet the needs of our target demographics

Management Discussion and Analysis

INCREASING SPENDING POWER AMONG DIFFERENT INCOME SEGMENTS



(Source: Anarock Report)

2. Structural and transformative shift in real estate demand

A momentous catalyst propelling the Indian real estate industry is the profound transformation reshaping the sector's growth trajectory. Housing in India not only acts as a catalyst for GDP expansion but also serves as a formidable force driving economic prosperity. Presently, the real estate sector contributes approximately 7% to India's GDP, while developed and mid-income economies boast a more substantial share in the mid-teens. As India's per capita incomes soar to remarkable heights, the real estate sector is poised to assume its rightful position as a paramount pillar of the economy. This paradigm shift in demand stems from an array of factors, including escalating household incomes, the rapid urbanization sweeping the nation, the evolving landscape of family structures,

and the burgeoning number of highly skilled professionals owing to the rising levels of education.

We are poised to harness the full potential of this transformative demand. With our extensive portfolio and unparalleled expertise, we stand ready to meet the burgeoning housing needs of the burgeoning middle-income and high-income segments. We wholeheartedly recognize the profound opportunity presented by this transformative shift and remain steadfast in our commitment to catalysing the growth and prosperity of the Indian real estate sector. In the recent past we have diversified to multiple micro market like Chembur, Dombivili, Mahim etc to capture the said demand.

3. Shifting preference towards esteemed developers

A remarkable megatrend has

unfolded within the real estate industry, gaining significant traction over the past few years. This trend manifests in a discernible shift of preference towards esteemed developers, marking a noteworthy consolidation both in terms of demand and supply. Informed by past experiences, today's discerning consumers exhibit a profound brand consciousness, opting to engage exclusively with esteemed tier-1 developers. Consequently, demand-side consolidation increasingly gravitates towards these distinguished industry players.

Within our esteemed Company, our robust consumer brand empowers us to secure a substantial share of pre-sales while fortifying our position in securing essential raw materials through strategic joint development agreement partnerships. This strategic advantage positions us to achieve above-industry growth over the medium term, ensuring predictability and sustained success.



4. Redevelopment: Unleashing Mumbai's Potential

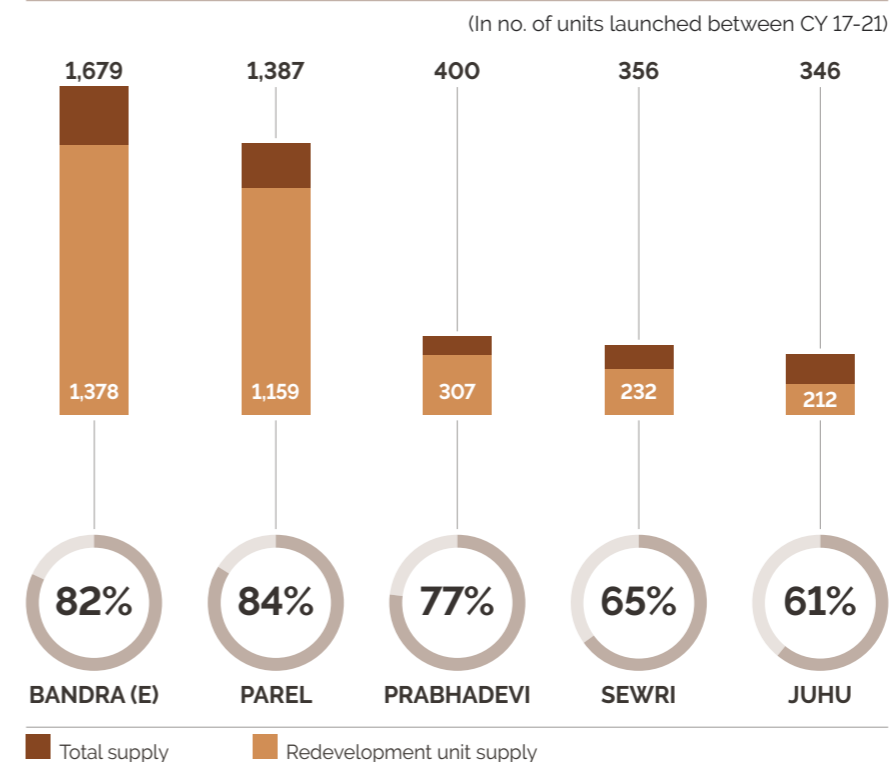
Redevelopment is a critical supply driver within Mumbai's landlocked cityscape. With limited availability of sizable land for greenfield development, the government is actively promoting the revitalization of old residential properties and industrial establishments. This strategic approach unlocks valuable land resources, addresses housing needs, and fosters sustainable urban development.

In this dynamic landscape, Rustomjee stands as a trusted and preferred redevelopment partner. With a track record of successfully completing 32 projects spanning over 20 Million

square feet and rehousing more than 1,400+ families, Rustomjee is a well-respected brand. The Company's reputation for excellence and commitment to quality make it the go-to choice for societies seeking a reliable and experienced partner in their redevelopment journey.

Through its proven expertise and customer-centric approach, Rustomjee continues to contribute to the transformation of Mumbai's urban fabric, creating vibrant communities and sustainable living spaces. As the city embraces redevelopment as the way forward, Rustomjee stands ready to shape the future of Mumbai with its unwavering dedication and impeccable track record.

SHARE OF REDEVELOPMENT UNITS VERSUS OVERALL SUPPLY IN MMR



Read more about our redevelopment projects on page 32
(Source: Anarock Report)

Leveraging opportunities: Building trust and achieving excellence

In this dynamic and unorganised industry, Rustomjee has managed to create a name that customers trust. We have made this possible by leveraging our core strengths of:

- **Asset-light and scalable business model**—wherein our initial investment in the project (CAPEX) is in the range of ~10%
- **Demonstrated execution and stakeholder management capabilities** via varied projects with joint development agreements (JDAs), joint ventures, redevelopment and Slum Rehabilitation Authority (SRA)
- **Customer-centric brand** present across varied price points

**For instance, initial capital investment as a percentage of the total sales value stood at 11.28%, 7.09% and 6.31% for Seasons, Paramount and Elements, respectively*

Management Discussion and Analysis

SHARE OF REDEVELOPMENT UNITS VERSUS OVERALL SUPPLY IN MMR

Challenges

The housing market may expect to face some short-term challenges that could potentially impact growth. These challenges include:

- **Global recession and inflation concerns:**
The prevailing global recession and persistent inflation concerns pose a risk to the housing market. Uncertainty in the global economic landscape can impact consumer confidence and purchasing power, leading to a slowdown in housing demand
- **Escalation of geo-political tensions:**
This can result in another round of supply chain disruptions, affecting the construction and

development processes. Delays in the supply of materials and increased costs may impede project timelines and increase operational challenges

- **Possible rate hike:**
The Reserve Bank of India (RBI) and other central banks may consider raising interest rates to address high inflation. This can impact borrowing costs and affordability for potential homebuyers, thus affecting housing demand
- **Significant slowdown in India:**
A significant slowdown in the overall Indian economy can have ripple effects on the housing market. Economic factors such as reduced consumer spending, lower investment activities, and weaker business sentiment can contribute to a decrease in housing demand

- **Significant increase in home prices:**
Developers implementing significant price increases in homes can impact affordability for potential buyers. As home prices rise, it becomes more challenging for individuals to enter the housing market, potentially leading to a decline in demand

Navigating these challenges will require proactive strategies and prudent decision-making. Rustomjee aims to mitigate the impact by closely monitoring market conditions, adjusting pricing strategies, optimising operational efficiency, and offering value-added services to cater to changing customer needs. By adapting to market dynamics and maintaining a customer-centric approach, Rustomjee strives to overcome these challenges and sustain its long-term growth trajectory.

Performance Overview

FINANCIAL PERFORMANCE

(In ₹ Crore)

PARTICULARS	STANDALONE		CONSOLIDATED	
	FY2023	FY2022	FY2023	FY2022
Income				
Revenue from operations	328	851	686	1,269
Other income	83	75	39	34
Total income	411	926	725	1,303
Expenses				
Construction costs	462	446	750	1,056
Changes in inventories of completed saleable units and construction work- in-progress	(281)	219	(313)	(67)
Employee benefit expense	22	21	46	28
Depreciation and amortisation expense	4	3	5	3
Finance costs	9	25	36	23
Other expenses	49	56	98	73
Total expenses	265	770	622	1,116
Profit before share of profit/(loss) of associates and joint ventures and tax	146	156	103	187
Share of profit/(loss) of associates and joint venture accounted for using the equity method (net of taxes)	-	-	5	(2)
Profit before tax (PBT)	146	156	108	185
Income tax expense				
- Current tax	31	33	30	49
- Deferred tax	6	3	(2)	-
Total tax expense	37	36	28	49
Profit After tax (PAT)	109	120	80	136
EBITDA*	159	184	144	213

* EBITDA includes other income

Standalone Financial Highlights

Total revenue of the standalone entity for FY 2022-23 was ₹ 411 Crore. Total Expenses for FY 2022-23 was ₹ 265 Crore. The EBITDA for FY 2022-23 were at ₹ 159 Crore, 39% of Total revenue vis a vis ₹ 184 Crore, 20% of Total revenue for FY 2021-22. The EBITDA margins have improved by 19% over the previous year. PBT was ₹ 146 Crore in FY 2022-23 as compared to ₹ 156 Crore in FY 2021-22. PAT was ₹ 109 Crore in FY 2022-23 as compared to ₹ 120 Crore in FY 2021-22. The PAT Margins have increased by 14% over the previous year.

Consolidated Financial Highlights

Total consolidated revenue for FY 2022-23 was ₹ 725 Crore. Total consolidated expenses for FY 2022-23 was ₹ 622 Crore. The EBITDA for FY 2022-23 was ₹ 144 Crore, 20 % of total consolidated revenue vis a vis ₹ 213 Crore, 16% of total consolidated revenue for FY 2021-22. The EBITDA margins have improved by 4% over the previous year. PBT was ₹ 108 Crore in FY 2022-23 as compared to ₹ 185 Crore in FY 2021-22. PAT was ₹ 80 Crore in FY 2022-23 as compared to ₹ 136 Crore in FY 2021-22. The PAT margins have increased by 1% over the previous year from 10% to 11%.



KEY FINANCIAL RATIOS (STANDALONE)

Particulars	As at March 31, 2023	As at March 31, 2022	YoY change or Variance (in%) can be used
Trade Receivables turnover ratio ¹	5.75	18.00	(68.03%)
Inventory turnover ratio ²	0.13	0.50	(73.46%)
Interest coverage ratio ³	2.75	2.53	8.80%
Current ratio ⁴	1.58	1.15	37.58%
Debt-equity ratio ⁵	0.30	1.14	(73.88%)
Operating profit margin ⁶	22%	12%	77.76%
Net profit ratio ⁷	33%	14%	136.10%
Return on net worth ⁸	10%	19%	(46.96%)

Notes:

- (1) The decrease in trade receivables turnover ratio is mainly on account of lower revenue recognised during the year.
- (2) Decrease in inventory turnover ratio is mainly due to reduction in cost of goods sold.
- (3) Improvement in interest coverage ratio is due to reduction in debts.
- (4) Improvement in current ratio is due to increase in current assets.
- (5) Improvement in debt-equity ratio is due to reduction in debts and increase in total equity.
- (6) Increase in operating profit margin is due to an improvement in gross margin as compared to last year which has resulted in increase in operating profit.
- (7) Increase in net profit ratio is due to an improvement in gross margin as compared to last year which has resulted in increase in net profit.
- (8) Decrease in return on net worth is due one-off increase in equity for IPO proceeds.

Management Discussion and Analysis

Internal Controls

The Company has adequate internal control systems that are aligned to the size and nature of the business. Policies and processes are well documented to monitor the business performance well supported by IT systems that are integrated to support operations.

The independent audit firm appointed by the Company provides audit assurances by conducting periodic reviews to ensure the adequacy of internal control systems adherence to management policies and compliance with regulatory requirements. The scope of the audit firm is to provide internal controls on the accounting and efficiency of the operations. The internal auditors report to the audit committee with the observations and implementation of their recommendations.

Reports of the internal auditors are regularly reviewed at the audit committee meetings. The Audit Committee of the Board reviews the effectiveness of the internal control systems and provides recommendations as need be.

Risk Management

Rustomjee has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

The Company has a Risk Management Committee consisting of five members — One Non-executive Independent Director, Two Executive Directors, Chairman and Managing Director and Chief Risk Officer — to review the risk management plan and oversee the complete process.

The role of the committee inter alia, includes, formulation, overseeing and implementation of risk management policy, business continuity plan, and to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company. The Board also regularly reviews risks.

Key risks include:

1. Inflation,
2. Change in Consumer Preferences,
3. Inability to complete and deliver projects according to the schedule leading to additional cost of construction and maintenance,
4. Erosion of brand value,
5. Inability to attract and retain talent,
6. Poor customer satisfaction,
7. Fraud and unethical practices,
8. Changes in Government policies and regulations.

Rustomjee addresses these risks through a well-structured framework that identifies desired controls and assigns ownership to monitor and mitigate the risks. It has invested significant resources in transparent customer-friendly processes and an enabling IT infrastructure, which are expected to effectively mitigate some of these risks. The Company's corporate governance policies ensure transparency in operations, timely disclosures and adherence to regulatory compliances. It believes that its employee-friendly policies and processes enhance engagement and welfare, effectively mitigating risks associated with attracting and retaining talent.

ESG

At Rustomjee, we recognise the significance of Environmental, Social, and Governance (ESG) factors in driving sustainable growth and creating long-term value. Our commitment to ESG principles is embedded in our operations and forms an integral part of our business strategy. Key initiatives in each of these areas include:

Environment

From the initial design phase to construction, we conduct thorough environmental assessments to ensure our developments meet the highest standards of sustainability. Our designs are not only aesthetically pleasing but also focus on energy efficiency. We incorporate sensor-controlled lighting and utilise high-grade, energy-efficient appliances to minimise energy consumption. By adopting these smart design practices, we aim to reduce our carbon footprint and promote a greener future.

Water conservation is another crucial aspect of our sustainability efforts. We implement advanced wastewater management systems to minimise water usage and maximise efficiency. Additionally, we have installed fully-functional rainwater harvesting systems to harness and utilise this valuable resource effectively.

In our commitment to creating harmonious living environments, we go beyond architectural design. Our gated communities and townships feature lush, biodiverse tropical landscapes that enhance the natural beauty of the surroundings. To ensure the quality and upkeep of these landscaped areas and amenities, we have an in-house horticulturist who collaborates with the site team and external



consultants. This collaborative effort ensures that every aspect of the landscape undergoes a rigorous snagging process before delivery, guaranteeing the highest level of quality and customer satisfaction.

Social

Our people drive our success. We prioritise their well-being, roll out employee-friendly policies, ensure an empowering environment, promote learning and development, and provide comprehensive insurance coverage. Our people are integral to our family, and we value their contributions and create a thriving work environment.

We are recognised for our social initiatives and commitment to the communities we serve. The Government of Maharashtra awarded us an A+ Grade, recognising our dedication to social responsibility. Moreover, our 'Rustomjee Educate a Child' initiative provides for the education of a child for a year for every family that purchases a Rustomjee home. That has made a meaningful impact resulting in the education of more than 1,000 children a year.

We have also focussed on improving labour welfare compliance by contractors, increasing it from 50% to 80%. Ensuring the health and safety of our employees and workers remains a top priority, and we provide regular awareness and training programmes on-site. We are proud to report zero fatalities and nil high consequence incidents, underlining our unwavering commitment to maintaining a safe and healthy working environment.

Governance

Our strong governance practices reinforce our commitment to ethical conduct and responsible business operations. We have implemented policies addressing anti-bribery and anti-corruption, EHS, sustainability, diversity and inclusion, and information security. These policies serve as guiding principles that shape our decision-making processes, ensuring transparency, accountability, and integrity across our organisation. With our robust corporate governance framework, we achieve high levels of integrity, accountability and ethical behaviour in all aspects of our operations.

Outlook

As we conclude this Annual Report, we look towards the future with great optimism and enthusiasm. The real estate industry in the Mumbai Metropolitan Region (MMR) is poised for continued growth, presenting numerous opportunities for Rustomjee Group. We are confident in our ability to navigate the ever-evolving market dynamics and capitalize on the promising prospects that lie ahead.

Our strategic pillars, including our focus on redevelopment, expansion in the MMR region, and the strength of our differentiators, position us for sustained success. We will continue to leverage our asset-light business model, stakeholder management practices, customer-centric approach, technological advancements, trusted vendor relationships, and experienced management team to drive growth and deliver exceptional value.

Furthermore, our commitment to sustainability, innovation, and customer satisfaction remains unwavering. We will continue to curate spaces that bring people together, foster healthy communities, and exceed customer expectations. By staying ahead of industry trends, embracing new technologies, and nurturing our brand reputation, we are well-prepared to face the future with confidence.

In closing, we extend our heartfelt appreciation to our valued shareholders, customers, business partners, and employees for their unwavering support. Together, we will embark on this exciting journey towards a prosperous future for Rustomjee Group, contributing to the growth and development of the real estate industry while creating enduring value for all stakeholders.

Corporate Information

BOARD OF DIRECTORS

- | | | | |
|----|---------------------|---|------------------------------------|
| 1. | Mr. Boman Irani | - | Chairman & Managing Director |
| 2. | Mr. Chandresh Mehta | - | Executive Director |
| 3. | Mr. Percy Chowdhry | - | Executive Director |
| 4. | Mr. Ramesh Tainwala | - | Non-Executive Independent Director |
| 5. | Mr. Rahul Divan | - | Non-Executive Independent Director |
| 6. | Ms. Seema Mohapatra | - | Non-Executive Independent Director |

CHIEF FINANCIAL OFFICER

Mr. Sajal Gupta

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Bimal K Nanda

STATUTORY AUDITOR

Price Waterhouse Chartered Accountants LLP

COST AUDITORS

M/s. Joshi Apte & Associates

INTERNAL AUDITOR

M/s Deloitte Touche Tohmatsu India LLP

BANKERS

ICICI Bank Limited
Standard Chartered Bank
The Zoroastrian Co-operative Bank Limited
Punjab National Bank

SHARE TRANSFER AGENT

Link Intime India Private Limited

REGISTERED OFFICE

702, Natraj, MV Road Junction,
Western Express Highway,
Andheri (East),
Mumbai - 400069.
Maharashtra, India

Directors' Report: 2022 – 23

To,
The Members of,
Keystone Realtors Limited

Your Directors have pleasure in presenting their 28th Annual Report on the business and operations together with the Audited Financial Statements (Standalone and Consolidated) of Keystone Realtors Limited ("the Company"/"your Company") for the Financial Year (FY) ended March 31, 2023.

1. RESULT OF OPERATION OF COMPANY:

a. Performance of the Company on consolidated basis for the FY 2023:

Particulars	₹ in Lakhs/area in Sq. Ft
Area Sold	10.35 Lakhs Sq. Ft
Pre-sales Value	₹ 160,440
Total Collections	₹ 186,209
Area Completed	6.19 Lakhs Sq. Ft
Total Revenue	₹ 68,566
EBITDA	₹ 14,308

b. Financial Summary on standalone basis for FY 2023:

The key highlights of the Standalone financial results for the year ended March 31, 2023 and the corresponding figures for the last year are as under:

Standalone Results	(₹ in Lakhs)	
	FY22-23	FY21-22
Revenue from Operations	32,806	85,136
Other Income	8,283	7,471
Total Income	41,089	92,607
Total Expenses	26,492	76,999
EBITDA*	15,976	18,411
Profit before tax	14,597	15,608
Profit after tax	10,923	12,006
PBT % [#]	35.50%	17%
EBITDA %	39%	20%

* EBITDA include Other income

[#]On Total Income

Review of Standalone Operations of the Company:

The performance of your Company for FY 2022-23 on standalone basis is as under:

- During the year under review, the Company's total revenue from operations stands ₹ 32,806 Lakhs and other income is ₹ 8,283 Lakhs.
- During the year under review, the Company's total expenditure was ₹ 26,492 Lakhs.
- During the year under review, the Company has recorded profit after tax of ₹ 10,923 Lakhs.

Directors' Report: 2022 – 23

c. Financial Summary on Consolidated basis for FY 2023:

The key highlights of the Consolidated financial results for the year ended March 31, 2023 and the corresponding figures for the last year are as under:

(₹ in Lakhs)		
Consolidated Results	FY22-23	FY21-22
Revenue from Operations	68,566	126,937
Other Income	3,924	3,360
Total Income	72,490	130,297
Total Expenses	62,242	111,644
EBITDA*	14,308	21,295
Profit before tax	10,248	18,653
Profit after tax	7,426	13,798
Share of Profit/(Loss) from JVs/Associates	524	(215)
PAT after Share of Profits	7,950	13,583
PAT after Non-controlling Interest	8,195	13,962
PBT %	15%	15%
PAT after Non-controlling Interest %	11%	11%
EBITDA %	20%	16%

* EBITDA include Other income

Review of Consolidated Operations of the Company:

The performance of your Company for FY 2022-23 on consolidated basis is as under:

1. During the year under review, the Company's consolidated total revenue from operations stands ₹ 68,566 Lakhs and other income is ₹ 3,924 Lakhs.
2. During the year under review, the Company's consolidated total expenditure was ₹ 62,242 Lakhs.
3. During the year under review, the Company has recorded consolidated Profit after Tax and after Non-controlling Interest was ₹ 8,195 Lakhs.

d. IND AS applicability:

The audited standalone and consolidated financial statements of the Company for the year ended March 31, 2023 have been prepared in accordance with requirements of the Companies (Indian Accounting Standards) Rules, 2015 Ind AS notified under Section 133 of the Companies Act, 2013 read with relevant Rules and other accounting principles.

e. Consolidated Financial Statements:

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting

Standards and based on the financial statements received from subsidiaries, as approved by their respective Board of Directors.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries, Joint Venture and Associate Companies are given in **Form AOC-1** and the same will be available on the Company website at link given below. Pursuant to the provisions of Section 136 of the Act, the financial statements along with other relevant documents, in respect of subsidiaries/associates/joint ventures, are available on the website of the Company at <https://www.rustomjee.com/about-us/investor-relations/>.

2. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

There was no material change from the end of the financial year till the date of this report.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of the business carried out by the Company.

Directors' Report: 2022 – 23

4. DIVIDEND:

To strengthen the financial position of the Company and to evaluate suitable business expansion/inorganic growth opportunities, your Board does not recommend any dividend for the F.Y. 2022-23.

5. AMOUNT PROPOSED TO BE TRANSFERRED TO RESERVES & SURPLUS:

During the year under review, no amount from profit was transferred to General Reserve.

6. CHANGES IN SHARES CAPITAL:

a. Authorised Share Capital:

During the year under review, the Authorized Share Capital of the Company increased from ₹ 235,71,50,000 (Rupees Two Hundred Thirty Five Crores Seventy One Lakhs Fifty Thousand only) divided into 13,56,40,000 (Thirteen Crores Fifty Six Lakhs Forty Thousand) Equity Shares of ₹ 10/- (Rupees Ten only) each, 10,00,10,000 (Ten Crores Ten Thousand) Optionally Convertible Redeemable Preference Shares of ₹ 10/- (Rupees Ten only) each and 65,000 (Sixty Five Thousand) Preference Shares of ₹ 10/- (Rupees Ten only) each to ₹ 235,72,00,000/- (Rupees Two Hundred Thirty Five Crores Seventy Two Lakhs Only) divided into 23,53,00,000 (Twenty Three Crores Fifty Three Lakhs) Equity Shares of ₹ 10/- (Rupees Ten only) each amounting to ₹ 235,30,00,000/- (Rupees Two Hundred Thirty Five Crores Thirty Lakhs Only) and 4,20,000 (Four Lakhs Twenty Thousand) Preference Shares of ₹ 10/- (Rupees Ten only) amounting to ₹ 42,00,000/- (Rupees Forty Two Lakhs Only).

b. Paid-up Share Capital:

i. Redemption of Redeemable Preference Shares of ₹ 10/- each at par

The Company has fully redeemed its 2,160 Redeemable Preference Shares ("RPS") of ₹ 10/each at par.

ii. Conversion of Optionally Convertible Debentures ("OCD") into Equity Shares of the Company:

The Company has converted its 9113, 15%, unsecured, Optionally Convertible Debentures of ₹ 100/- each ("OCDs") into 91,130 Equity Shares of ₹ 10/- (Rupees Ten Only) each fully paid-up equity shares of the Company.

iii. Private Placement:

The Company raised ₹ 169,99,93,743.36 through Private Placement of Equity Shares of the Company by allotting 34,04,412 Equity Shares having face value of ₹ 10/- each at a premium of ₹ 489.35018 per share. Pursuant to this

allotment, the Paid-up Share Capital of the Company was increased from ₹ 100,12,18,100/- consisting of 10,01,21,810 Equity Shares of ₹ 10/- each per share to ₹ 103,52,62,220/- consisting of 10,35,26,222 Equity Shares of ₹ 10/- each per share.

iv. ESOP

The Company has adopted the 'Rustomjee Employee Stock Option Plan 2022' ("ESOP 2022"/"Plan").

ESOP granted and vested are available in note 44 of the Standalone Financial Statements.

Disclosure as required under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is annexed at **Annexure 'A'** which forms part of this Directors' Report.

v. Initial Public Offer:

The Company raised ₹ 6,34,99,98,861/- through Initial Public Offering of Equity Shares of the Company by issuance of 103,51,201 fresh equity shares and 13,86,320 offer for sale totaling to 1,17,37,521 Equity Shares of face value of ₹ 10 each issued at the premium of ₹ 531/-. Pursuant to this allotment, the Paid-up Share Capital of the Company was increased from ₹ 103,52,62,220/- consisting of 10,35,26,222 Equity Shares of ₹ 10/- each per share to ₹ 1,13,87,74,230/- consisting of 11,38,77,423 Equity Shares of ₹ 10/- each per share.

c. Corporate Actions:

Your Directors states that during the year under review:

- i. The Company has neither issued any Sweat Equity Shares nor issued Equity Shares with differential rights as to dividend, voting or otherwise.
- ii. The Company has not bought back any of its securities according to provision of Section 67(3)(c) of the Companies Act, 2013.
- iii. No Bonus Shares were issued.
- iv. Company has granted 11,55,700 shares as ESOP to its Employees.

7. DEPOSIT:

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the Balance Sheet.

Directors' Report: 2022 – 23

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Board of Directors

The Board is duly constituted. The Board of Directors of your Company at present comprises of 6 Directors. The details are as follows:

Sr. No.	Name	Designation
1	Mr. Boman Irani	Chairman & Managing Director
2	Mr. Chandresh Mehta	Executive Director
3	Mr. Percy Chowdhry	Executive Director
4	Mr. Ramesh Tainwala	Non-Executive Independent Director
5	Mr. Rahul Divan	Non-Executive Independent Director
6	Ms. Seema Mohapatra	Non-Executive Independent Director

During the year under review, following changes occurred in the Board of Directors of the Company:

Sr. No.	Name	Designation	Nature of Change (Appointment/Change in Designation/ Cessation)	Date of Appointment/ Change in Designation/ Cessation
1	Mr. Boman Irani ¹	Chairman & Managing Director	Change in Designation	May 11, 2022
2	Mr. Chandresh Mehta [®]	Executive Director	Change in Designation	May 11, 2022
3	Mr. Percy Chowdhry [®]	Executive Director	Change in Designation	May 11, 2022
4	Mr. Ramesh Tainwala [§]	Non-executive Independent Director	Change in Designation	May 11, 2022
5	Mr. Rahul Divan [%]	Non-executive Independent Director	Appointment and Change in Designation	May 11, 2022
6	Ms. Seema Mohapatra [%]	Non-executive Independent Director	Appointment and Change in Designation	May 11, 2022
7	Mr. Daniel Joseph	Director	Cessation	April 28, 2022

¹ Pursuant to the approval and recommendation of the Nomination and Remuneration Committee ("NRC") and as approved by Board of Directors and Shareholders of the Company, the terms of appointment of Mr. Boman Irani was amended and he was designated as Chairman and Managing Director of the Company and he will not be subject to retire by rotation.

[®] Pursuant to the approval and recommendation of the Nomination and Remuneration Committee ("NRC") and as approved by Board of Directors and Shareholders of the Company the terms of appointment of Mr. Chandresh Mehta and Mr. Percy Chowdhry were amended and they both were designated as an Executive Director of the Company and they will be liable to retire by rotation.

[§] Mr. Ramesh Tainwala, designated as Non-Executive Independent Director of the Company for a period of five consecutive years from May 11, 2022 to May 10, 2027.

[%] Mr. Rahul Divan and Ms. Seema Mohapatra appointed as Non-Executive Independent Directors of the Company for a period of five consecutive years from May 11, 2022 to May 10, 2027.

The attendance and other detailed disclosure of the Board and committee meetings are given in the Corporate Governance section annexed to this report as **Annexure 'B'**

Directors' Report: 2022 – 23

Independent Directors:

All Independent Directors have furnished declarations that they meet the criteria of Independence as laid down under section 149 of the Companies Act, 2013.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

A separate meeting of the Independent Directors' was held on March 27, 2023, wherein they reviewed the performance of the Board, the Non-Independent Directors and the Chairman.

Key Managerial Personnel

Pursuant to the provisions of section 203 of the Companies Act, 2013, the Company has following employees as Key Managerial Personnel:

1. Mr. Boman Irani, Chairman & Managing Director
2. Mr. Chandresh Mehta, Executive Director
3. Mr. Percy Chowdhry, Executive Director
4. Mr. Sajal Gupta, Chief Financial Officer
5. Mr. Bimal K Nanda, Company Secretary and Compliance Officer

Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with provisions contained in the Articles of Association of the Company, Mr. Chandresh Mehta will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offer himself for reappointment.

The Board has recommended his reappointment.

Committees of the Board

The Board has constituted all the statutory committees as required under the Companies Act, 2013 and rules made thereunder and as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committees meet at regular intervals to transact their respective businesses as per the terms of reference prescribed by the Board. The various Committees and its composition are as follows:

a. Audit Committee

In terms of Section 177 of the Companies Act, 2013, the Board of Directors at its Meeting held on May 11, 2022 has constituted an Audit Committee. The Audit Committee comprises of the following members:

Name	Board Designation	Committee Designation
Mr. Rahul Divan	Non-Executive Independent Director	Chairman
Mr. Ramesh Tainwala	Non-Executive Independent Director	Member
Mr. Boman Irani	Chairman & Managing Director	Member

Majority of the Members of the Committee are Independent Directors and possess strong accounting and financial management knowledge.

The attendance and terms of reference of the Audit committee is covered under the Corporate Governance section annexed to this report as **Annexure 'B'**.

b. Nomination & Remuneration Committee

In terms of Section 178 of the Companies Act, 2013, the Board of Directors at its Meeting held on May 11, 2022 has constituted a Nomination & Remuneration Committee ("NRC"). The NRC comprises of the following members:

Name	Board Designation	Committee Designation
Mr. Ramesh Tainwala	Non-Executive Independent Director	Chairman
Mr. Rahul Divan	Non-Executive Independent Director	Member
Ms. Seema Mohapatra	Non-Executive Independent Director	Member

As per requirement of SEBI LODR, all the Members of the Committee are Non-Executive Directors.

The attendance and terms of reference of the NRC is covered under the Corporate Governance section annexed to this report as **Annexure 'B'**.

Directors' Report: 2022 – 23

c. Corporate Social Responsibility Committee

The Board of Directors at its Meeting held on May 11, 2022 has reconstituted Corporate Social Responsibility Committee ("CSR"). The CSR Committee comprises of the following members:

Name	Board Designation	Committee Designation
Ms. Seema Mohapatra	Non-Executive Independent Director	Chairperson
Mr. Boman Irani	Chairman and Managing Director	Member
Mr. Chandresh Mehta	Executive Director	Member
Mr. Percy Chowdhry	Executive Director	Member

The attendance and terms of reference of the CSR committee is covered under the Corporate Governance section annexed to this report as **Annexure 'B'**.

d. Stakeholders' Relationship Committee

The Board of Directors at its Meeting held on May 11, 2022 has constituted Stakeholders' Relationship Committee ("SRC"). The SRC comprises of the following members:

Name	Board Designation	Committee Designation
Mr. Ramesh Tainwala	Non-Executive Independent Director	Chairman
Mr. Chandresh Mehta	Executive Director	Member
Mr. Percy Chowdhry	Executive Director	Member

The attendance and terms of reference of the SRC is covered under the Corporate Governance section annexed to this report as **Annexure 'B'**.

e. Risk Management Committee

The Board of Directors at its Meeting held on June 03, 2022 has constituted Risk Management Committee. The Committee comprises of the following members:

Name	Board Designation	Committee Designation
Mr. Boman Irani	Chairman and Managing Director	Chairman
Mr. Chandresh Mehta	Executive Director	Member
Mr. Percy Chowdhry	Executive Director	Member
Mr. Ramesh Tainwala	Non-Executive Independent Director	Member

The attendance and terms of reference of the Committee is covered under the Corporate Governance section annexed to this report as **Annexure 'B'**.

f. Initial Public Offer ('IPO') Committee

The Board of Directors at its Meeting held on June 03, 2022 had constituted IPO committee. The Committee comprised of the following members:

Name	Board Designation	Committee Designation
Mr. Boman Irani	Chairman and Managing Director	Chairman
Mr. Percy Chowdhry	Executive Director	Member
Mr. Chandresh Mehta	Executive Director	Member
Ms. Seema Mohapatra	Non-Executive Independent Director	Member

This Committee was dissolved w.e.f. February 07, 2023 as the purpose of the said Committee was fulfilled.

9. MEETINGS OF THE BOARD:

In accordance with the provisions of the Companies Act, 2013 and rules made thereunder, the Board of Directors met 15 times during the financial year ended March 31, 2023. The meeting dates and attendance details are covered under the Corporate Governance section annexed to this report as **Annexure 'B'**.

Directors' Report: 2022 – 23

10. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

During the year under review, pursuant to the provisions of Section 178(1) of Companies Act, 2013, the Company has constituted the Nomination and Remuneration Committee ("NRC"). NRC has been mandated by the Board to adhere/implement the policy for determining qualifications, positive attributes and independence of Directors (including Independent Directors). The NRC will review and assess Board composition on behalf of the Board and will recommend to the Board, the appointment of new directors based on their qualification, positive attributes and independence.

In reviewing Board composition, the NRC will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

NRC will also recommend to the Board on the remuneration to be payable to the Directors.

NRC Policy is available on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

11. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

As on March 31, 2023 the Company had 31 Subsidiary Companies, investment in 3 Limited Liability partnership firms, 2 associates Companies and 3 Joint Ventures. The list of Company's Subsidiary Company(ies)/Limited Liability Partnership firms/Associate Company(ies)/Joint venture(s) is given under point no. VII of Corporate Governance Report as **Annexure 'B'** of this report. These Subsidiaries/Associate/Joint Ventures companies are mainly engaged in the Real Estate business.

The annual accounts of these subsidiary/associate/joint venture companies were consolidated with the accounts of the Company for the financial year 2022-23. The statement containing salient features of the financial statement of subsidiaries/associates/joint venture in Form AOC-1 are available on Company website link given below. Pursuant to the provisions of Section 136 of the Act, the financial statements along with other relevant documents, in respect of subsidiaries/associates/joint venture, are available on the website of the Company at <https://www.rustomjee.com/about-us/investor-relations/>.

12. MATERIAL SUBSIDIARY

Rustomjee Realty Private Limited was material subsidiary of the Company as per the thresholds laid down under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") for FY2022-23. The Board of Directors of the

Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy is available on the Company's website and can be accessed at <https://www.rustomjee.com/about-us/investor-relations/>.

13. ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, read with Section 134(3)(a) of the Act, the Annual Return in Form MGT-7 as on March 31, 2023 will be made available on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

The annual report on CSR activities of the Company, as required under Section 134(3)(o) read with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules), is provided at **Annexure 'C'** to this Report. CSR Policy is available on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

15. STATUTORY AUDITORS OF THE COMPANY:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s Price Waterhouse Chartered Accountants LLP, having registration no 012754N/N500016, were appointed as Statutory Auditor of the Company for a period of 5 years until the conclusion of Annual General Meeting to be held in the year 2026.

The Statutory Audit Report for the F.Y. 2022-23 does not contain any qualification, reservation or adverse remark.

The Statutory Auditors' Reports on Standalone and Consolidated Financial Statements for the year ended March 31, 2023, are enclosed with the financial statements.

No instance of fraud was reported by the Statutory Auditor during the year under review.

16. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Ms. Ria Kunal Ahuja, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for the Financial Year 2022-23.

The Secretarial Audit Report for the Financial Year 2022-23 does not contain any observations, qualifications and adverse remarks. The Secretarial Audit Report in prescribed Form MR-3 is Annexed to this Report as **Annexure 'D'**.

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17. COST AUDITOR:

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. Joshi Apte & Associates, Cost Accountants, Mumbai was appointed as the Cost Auditors of the Company to conduct the cost audit for the Financial Year 2022-23 and to hold the office till the conclusion of the ensuing Annual General Meeting.

The Board on the recommendation of the Audit Committee has approved the appointment of M/s. Joshi Apte & Associates, Cost Accountants, as Cost Auditors, for F.Y. 2023-24. The resolution for ratification of remuneration payable to the Cost Auditors for F.Y. 2023-24 forms part of the accompanying Annual General Meeting Notice.

The Cost Audit Report for the Financial Year 2022-23 does not contain any observations, qualifications and adverse remarks.

18. INTERNAL AUDITOR:

The Company has appointed M/s Deloitte Touche Tohmatsu India LLP, Chartered Accountants, Mumbai, as an Internal Auditor of the Company for the financial year 2023-24.

19. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly. During the year under review, M/s. Deloitte Touche Tohmatsu India LLP, the Internal Auditors of the Company have conducted the IFC Audit and does not found any material or serious observation for inefficiency or inadequacy of such controls.

20. RISK MANAGEMENT POLICY:

The Company's risk management policy captures the major potential business risks pertaining to the industry in which Company is operating and which has relevance on the Company. The Company has also in place its mitigation plans for these potential business risks. M/s. Deloitte Touche Tohmatsu India LLP, Internal Auditor of the Company, on regular basis, checks and evaluates the effectiveness of the mitigation plans of the Company to mitigate potential business risks. The risks and its mitigation plan are elaborated in the MD & A section of the Report. Risk Management Policy is available on the

Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Standalone Financial Statements.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year under review, the related party transactions falling under the provisions of section 188 of the Companies Act, 2013 which Company has entered with related parties, as defined under section 2(76) of the Companies Act, 2013, were in its ordinary course of business and were on arm's length basis. All the related party transactions were placed before the Audit Committee. As per the recommendation of the Audit Committee, the related party transactions were presented to the Board of Directors specifying the nature, value and terms and conditions of the transactions. The transactions with related parties are conducted in a transparent manner with the interest of the Company and Stakeholders as utmost priority. The related party transactions policy is available on the website of the Company at <https://www.rustomjee.com/about-us/investor-relations/>. Disclosure as required pursuant to para- A of Schedule V of the Listing regulations forms part of Standalone Audited Financial Statements for FY 2023.

Since the related party transactions entered by the Company were in ordinary course of business and on arm's length basis, Form AOC- 2 is not applicable to the Company.

23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

Conservation of energy

(i)	The steps taken or impact on conservation of energy	
(ii)	The steps taken by the company for utilizing alternate sources of energy.	Please refer BRSR report section C – P6
(iii)	The capital investment on energy conservation equipment's	

Directors' Report: 2022 – 23

Technology absorption

(i) The effort made towards technology absorption	To achieve Green Building certification by IGBC, the Company, has made efforts to adopt all relevant technologies for Energy efficiency, Water management, Solid waste management and provision of sustainable spaces to our residents.
(ii) The benefits derived like product improvement cost reduction product development or import substitution	
(iii) In case of imported technology (important during the last three years reckoned from the beginning of the financial year)	
(a) The details of technology imported	
(b) The year of import;	
(c) whether the technology been fully absorbed	
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv) The expenditure incurred on Research and Development	

During the year, the total foreign exchange outgo/spend was USD 710120 equivalent to ₹ 570.18 Lakhs and the total foreign exchange earned was NIL.

24. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Company does not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

25. DETAILS OF REMUNERATION OF THE EMPLOYEES AS PER THE RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), AMENDMENT RULES, 2016:

Disclosures relating to remuneration of Directors under section 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure 'E'** to the Board's report.

Particulars of employee remuneration, as required under section 197(12) of the Act and read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this report. In terms of the provisions of the first proviso to Section 136(1) of the Act, the Report is being sent to the shareholders, excluding the aforementioned information. The information will be available for inspection at the registered office of the Company on all working days upto the date of AGM and a copy of the same will also be available electronically for inspection by the members during the AGM. Any member interested in obtaining such information may write to the Company Secretary at the registered office of the Company.

26. DISCLOSURE IN RESPECT OF STATUS OF APPLICATION OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE:

During the year under review, no application was made, or any proceedings were pending under the Insolvency and Bankruptcy Code, 2016.

27. DISCLOSURE RELATING TO DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the year under review, the Company has not made any one-time settlement and not carried out any valuation, therefore reporting is not required.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

In accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013 the Company has in place a policy for prevention of sexual harassment. The Company's Internal Complaints Committee is responsible to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Internal Complaints Committee also addresses the

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complaints received by its subsidiaries/associates and joint venture companies. During the year under review, Company had not received any complaint. POSH Policy is available on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

29. CORPORATE GOVERNANCE:

Pursuant to the requirements of Regulation 34 of the Listing Regulations, a detailed report on Corporate Governance forms an integral part of this Report. A certificate from Deepak A. Variaya & Co, Practicing Company Secretary, confirming compliance of conditions of Corporate Governance as stipulated is covered under Corporate Governance section annexed to this report as **Annexure 'B'**.

30. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis Report on the operations of the Company, as required under the Listing Regulations is provided in a separate section and forms an integral part of this Report.

31. PERFORMANCE EVALUATION:

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013, the Board of Directors has carried out the annual performance evaluation of (i) entire Board, (ii) its committees and (iii) its individual directors. The evaluation was done based on set questionnaires which were given to them at the time of evaluation.

32. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

In compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report forms an integral part of this Report.

33. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In compliance to Section 177(9) of the Companies Act, 2013, Company has put in place the Vigil Mechanism/Whistle Blower Policy. Company has put in place a process where direct access is made available to the whistle blower to approach the Chairman of the Audit Committee to raise any grievances or to report fraud in a transparent manner in line with the Vigil/Whistle Blower policy. During the period under review, Company has not received any complaint under Vigil Mechanism/Whistle Blower Policy. Vigil Mechanism Policy is available on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

34. CODE OF CONDUCT:

The Directors and senior management personnel has complied with the Code of Conduct of the Company. The Code of Conduct Policy is available on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

35. SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and Directors confirm compliance of the same during the year under review.

36. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant or material order have been passed by any regulator or court or tribunal against the Company, which would impact the going concern status of the Company or will have bearing on Company's operations in future.

37. DIRECTORS' RESPONSIBILITY STATEMENT:

The Director's Responsibility Statement referred to in clause (c) of Sub-section (3) of Section 134 of the Companies Act, 2013 state that:-

- a. In the preparation of the annual accounts the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. 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 and of the profit and loss of the Company for the year under review ;
- c. The Directors' had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors' had prepared the annual accounts on a going concern basis;

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- e. The Directors have laid down internal finance controls to be followed by the Company and such internal finance controls are adequate and operating effectively; and
- f. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

38. DISCLAIMER

Any statements in this Boards' Report and Management Discussion and Analysis Report providing additional

information about the Company's plans may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual performance may differ materially from those expressed or implied.

39. ACKNOWLEDGEMENTS

The Directors take this opportunity to sincerely thank the Company's valued Customers, Clients, Suppliers, Investors, Bankers and Shareholders for their consistent support/encouragement to the Company and look forward to continue fruitful association with all the business partners of the Company. The Directors also place on record its deep sense of appreciation for the committed services by all the employees of the Company.

For and on behalf of the Board of Directors

Boman Irani

Chairman & Managing Director

DIN: 00057453

Date: August 07, 2023

Place: Mumbai

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Annexure 'A'

Details related to ESOP

- i. A description of each ESOP that existed at any time during the year, including the general terms and conditions of each ESOP, including:

a)	Date of shareholders' approval	May 11, 2022
b)	Total number of options approved under ESOP	20,00,000
c)	Vesting requirements	Minimum vesting period 1 year and maximum 4 years
d)	Exercise price or pricing formula	₹ 480 per share
e)	Maximum term of options granted	4 years
f)	Source of shares (primary, secondary or combination)	Primary
g)	Variation in terms of options	As per Rustomjee Employee Stock Option Scheme Eligibility

- ii. Method used to account for ESOP - Intrinsic or fair value.: **Fair Value**

- iii. Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed. **NA**

- iv. Option movement during the year (For each ESOP):

Particulars	Details
Number of options outstanding at the beginning of the period	20,00,000
Number of options granted during the year	11,84,800
Number of options forfeited/lapsed during the year	29,100
Number of options vested during the year	NIL
Number of options exercised during the year	NIL
Number of shares arising as a result of exercise of options	NIL
Money realized by exercise of options (INR), if scheme is implemented directly by the Company	NIL
Loan repaid by the Trust during the year from exercise price received	NIL
Number of options outstanding at the end of the year (as on March 31, 2023)	11,55,700
Number of options exercisable at the end of the year	11,55,700

- v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock. **Weighted average exercise price is ₹ 480 and Weighted average fair value of options is ₹ 233.**

- vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:

- a. senior managerial personnel as defined under Regulation 16(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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ESOP granted to KMP

Name	Designation	Options Granted
Mr. Sajal Gupta	Group CFO & Head Corporate Strategy	80,000
Mr. Rakesh Setia	President - Sales, Marketing & CRM	65,000
Mr. Harsh Chandra	President & CEO- SRA Projects	65,000
Mr. Anupam Verma	President & CEO - Kapstone Constructions Pvt. Ltd.	65,000
Mr. Mahesh Gera	Group Chief Human Resources Officer	40,000
Mr. Venkatraman B. Iyer	Chief Operating Officer	15,000

- b. any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and:

Name	Designation	Options Granted
Mr. Atul Date	Chief of Planning & Architecture	65,000

- c. identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant. **NA**
- vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:
- the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;
 - the method used and the assumptions made to incorporate the effects of expected early exercise; **Black & Scholes Method**
 - how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and: **Each vest has been considered as a separate grant, we have considered the volatility for periods, corresponding to the expected lives of different vests, prior to the grant date. Weighted average of few peer level real estate companies has been taken into account for the purpose of calculating fair values to reduce any Company specific variations.**
 - whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition. **Fair Value was calculated on the following variables: Stock Price, Volatility, Risk free Interest Rate, Exercise Price, Time to maturity/expected life of options.**

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Annexure 'B'

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At **Keystone Realtors Limited** (also referred to as the **Company/Rustomjee** in this report) good corporate governance incubates an organization whose processes, policies and procedures are in place to create transparent rules, with checks and balances that guides the Board of Directors and the management team to align the interests of all stakeholders. This philosophy with appropriate principles lays a solid foundation to consolidate trust amongst the various stakeholders which helps align the Company's vision with business integrity.

We believe that sound governance practices demonstrate our commitment for creating and enhancing long term stakeholder value with sustainable businesses and simultaneously being a responsible corporate citizen. We seek to achieve our corporate goals in a manner that our governance policies incorporate strategy, risk management framework, accountability, transparency and ethical practices. Our philosophy flows from our culture code and values of being forthright, exceptional, customer-centric, economic value creators, nimble, learning-focused, empowered, meritocratic and collaborative.

At Rustomjee Corporate Governance is a journey and is globally evolving with fresher and better practices. In this quest the Company stands by its commitment to embrace best governance and disclosure practices to uphold our corporate values, ensuring that all our business actions align with the best interests of our stakeholders while driving the Company's long-term goals.

The Company is in compliance with the applicable requirements specified in Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) 2015 ("Listing Regulations") as on the date of this Report.

II. BOARD OF DIRECTORS

Role and responsibilities of the Board

The Board of Directors has a fiduciary responsibility to protect and enhance shareholder value by providing strategic direction to the Company and ensuring alignment of Company's goals with stakeholders' expectations.

The Board exercises strategic oversight and independent judgement over business operations, ensuring compliance with the legal framework, integrity of financial accounting and reporting systems and credibility in the eyes of the stakeholders through proper and timely disclosures.

The Board regularly monitors the effectiveness of the Company's governance practices and risk management framework based on various amendments and changes mandated by the regulators and based on best international governance practices.

Composition of the Board

The Board of Directors of the Company has an ideal balance of Executive and Non-Executive Directors, representing a blend of professionalism, knowledge and experience. The composition of the Board is in compliance with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

Mr. Boman Irani is a Chairman & Managing Director of Company. Since the Chairman is a Promoter and Executive Director, the Company needs to appoint at least 50% of the total no. of Directors as Independent Directors. The Company, in compliance with Regulation 17 of Listing Regulations, has three Executive Directors and three Non-Executive Independent Directors (including one Woman Director). The Directors on the Board are respected, highly competent, and experienced persons from diverse fields including finance, business operations, marketing, management, etc.

Composition of Board

Sr. No.	Name of the Directors	Executive Director/ Non-Executive Director	Promoter/Independent/ Non-Independent
1	Mr. Boman Irani	Chairman and Executive Director	Promoter
2	Mr. Chandresh Mehta	Executive Director	Promoter
3	Mr. Percy Chowdhry	Executive Director	Promoter
4	Mr. Ramesh Tainwala	Non-Executive Director	Independent Director
5	Mr. Rahul Divan	Non-Executive Director	Independent Director
6	Ms. Seema Mohapatra	Non-Executive Director	Independent Director

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Information on Directors and details of Board members:

The Board of Directors is comprised of six Directors as on March 31, 2023 and as on the date of this Report. The name and categories of Directors, DIN, the number of Directorships, and the list of Listed Entities where he/she is a Director along with the category of their Directorships and other details are given below:

Sr. No.	Name of the Director	No. of Directorship in listed entities including this listed entity (Refer Regulation 17A of Listing Regulations)	No. of Independent Directorship in listed entities including this listed entity (Refer Regulation 17A(1) of Listing Regulations)	No. of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)
1	Mr. Boman Irani (DIN: 00057453)	1	0	1	0
2	Mr. Chandresh Mehta (DIN: 00057575)	1	0	1	0
3	Mr. Percy Chowdhry (DIN: 00057529)	1	0	1	0
4	Mr. Ramesh Tainwala (DIN: 00234109)	2*	1	2	1
5	Mr. Rahul Divan (DIN: 00001178)	3*	3	3	1
6	Ms. Seema Mohapatra (DIN: 02608087)	1	1	0	0

* Refer below table

Name of Independent Director	Name of Company	Directorship
Mr. Rahul Divan	Keystone Realtors Limited	Non Executive -Independent Director
	Ruby Mills Limited	Non Executive -Independent Director
	Integra Engineering India Limited	Non Executive -Independent Director
Mr. Ramesh Tainwala	Keystone Realtors Limited	Non Executive -Independent Director
	Tainwala Chemicals & Plastics (India) Limited	Executive Director, Chairperson, Managing Director

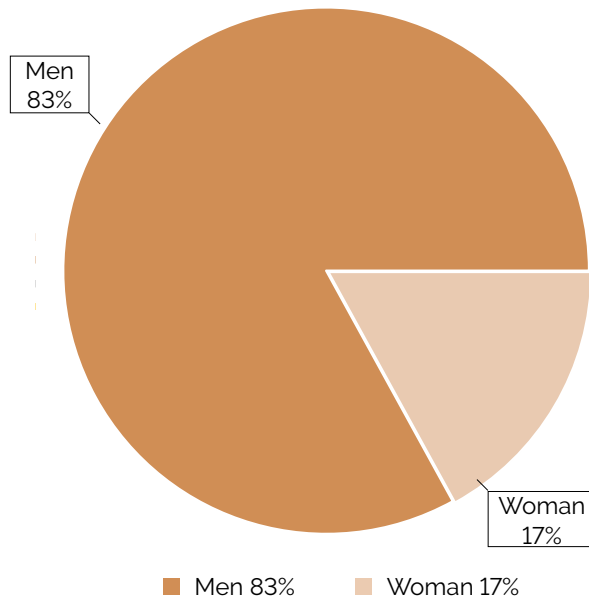
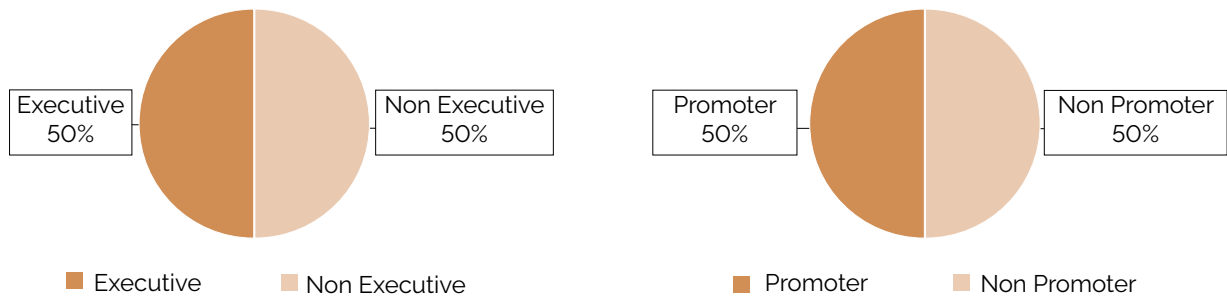
Notes:

- o None of the Directors on the Board holds Directorships in more than ten public companies and/or twenty private companies. Necessary disclosures regarding Directorship positions in public and private companies as on March 31, 2023 have been made by the Directors.
- o None of the Directors were members of more than 10 committees or acted as Chairman of more than five committees across all Public Limited Companies in which they were Directors in terms of Regulation 26(1) of the SEBI Listing Regulations.
- o Mr. Boman Irani and Mr. Percy Chowdhry are related. No other Directors are related to each other.

Directors' Report: 2022 – 23

- o None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.
- o All the Directors are Indian nationals.
- o Chairmanships/Memberships of Board Committees includes only Audit Committee and Stakeholders' Relationship Committee.

Size & composition of the Board



Board Procedure

All policy decisions including critical strategy decisions are deliberated, decided and adopted at meetings of the Board and its respective Committees. The Agenda along with relevant materials and notes setting out the business to be transacted at the Meeting is sent to all the Directors before the scheduled date of the Meeting. Businesses of

an urgent nature, requiring quick decisions are dealt with at meetings called at shorter notice. To enable greater participation by Directors and more informed decision making, video conferencing facilities are made available to enable the Directors to participate in the meetings through electronic mode.

Directors' Report: 2022 – 23

The Board periodically reviews and revisits the strategy and business plans, annual operating plan and capital expenditure budgets, compliance status of all laws applicable to the Company, performance of Company's projects, review of major legal issues, minutes of the Committees of the Board and Minutes of Board Meeting of subsidiary companies, Related Party Transactions, list of borrowings and proposed borrowing to be made by the Company, list of investment including proposed investment to be made by the Company, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of quarterly/half-yearly/annual financial results, significant labour problems and their proposed solutions, safety and risk management, transactions pertaining to purchase/disposal of property(ies), sale of investments, major accounting provisions and write-offs, corporate restructuring, joint ventures or collaboration agreement(s), material default in financial obligations, brand equity or intellectual property, any issue that involves possible public or product liability claims of substantial nature.

Board meetings

The Board meets at regular intervals inter-alia to discuss and decide on Company's business policy and strategy. Board meetings are generally held within regulatory requirement of 45 days from the end of the quarter in the manner that it coincides with the announcement of quarterly results. Time gap between two consecutive

meetings does not exceed 120 days. The Audit Committee and other committee meetings are generally held as required under the law and on the need basis.

The Company Secretary, in consultation with the Chairman and Managing Director prepares the Board and Committee meetings' agenda. The detailed agenda, along with explanatory notes and annexures, as applicable are sent to the Board and Committee members, well in advance before the meetings except for the meetings called at shorter notice. In special and exceptional circumstances, additional or supplementary item(s) are permitted to be taken up as 'any other item'. Senior Management members, on a need-based basis, are invited to the meetings to present updates on the items being discussed at the meeting.

Number of Board Meetings, Attendance of the Directors at Board Meetings and at the Annual General Meeting

During the year April 01, 2022 to March 31, 2023, fifteen Board Meetings were held. The Board met at least once in every Calendar Quarter and the gap between two consecutive Meetings did not exceed one hundred and twenty days. The 27th AGM of the Company was held on September 28, 2022.

The attendance of the Directors at these Meetings held during April 01, 2022 to March 31, 2023, was as under:

AGM and Board Attendance

Date of Meeting	Name of Director(s)					
	Mr. Boman Irani	Mr. Chandresh Mehta	Mr. Percy Chowdhry	Mr. Ramesh Tainwala	Mr. Rahul Divan **	Ms. Seema Mohapatra **
April 12, 2022	√	√	√	×	-	-
April 28, 2022	√	√	√	√	-	-
May 04, 2022	√	√	√	×	-	-
May 06, 2022	√	√	√	×	-	-
May 06, 2022	√	√	√	×	-	-
May 11, 2022	√	√	√	×	-	-
May 11, 2022	√	√	√	×	√	√
June 03, 2022	×	√	√	√	√	√
June 10, 2022	√	√	√	√	√	√
September 28, 2022	√	√	√	√	√	√

Directors' Report: 2022 – 23

Date of Meeting	Name of Director(s)					
	Mr. Boman Irani	Mr. Chandresh Mehta	Mr. Percy Chowdhry	Mr. Ramesh Tainwala	Mr. Rahul Divan **	Ms. Seema Mohapatra **
October 19, 2022	√	√	√	√	√	√
November 05, 2022	√	√	√	√	√	√
November 17, 2022	√	√	√	√	√	√
November 21, 2022	√	√	√	√	√	√
February 07, 2023	√	√	√	√	√	√
Total meetings held during the F.Y.	15	15	15	15	15	15
Eligibility of Directors to attend the same	15	15	15	15	9	9
Attended by Directors	14	15	15	9	9	9
AGM Attended	Yes	Yes	Yes	Yes	Yes	Yes

Mr. Daniel Joseph had ceased to be the Director of the Company w.e.f closure of business hours on April 28, 2022. Therefore, his details were not mentioned in the above table.

**Mr. Rahul Divan and Ms. Seema Mohapatra were appointed as an additional Non-Executive Independent Director of the Company on May 11, 2022 and their appointment approved in the Extraordinary General Meeting held on same day.

Core Skills/Expertise/Competencies of the Board of Directors

Skill/Competencies	Mr. Boman Irani	Mr. Chandresh Mehta	Mr. Percy Chowdhry	Mr. Ramesh Tainwala	Mr. Rahul Divan	Ms. Seema Mohapatra
Corporate Strategy and Planning	√	√	√	√	√	√
Industry knowledge and experience	√	√	√	√	√	√
Corporate governance	√	√	√	√	√	√
Leadership qualities	√	√	√	√	√	√
Financial expertise	√	√	√	√	√	√
Understanding of relevant laws, rules, regulations and policies	√	√	√	√	√	√
Risk Management	√	√	√	√	√	√

Mr. Daniel Joseph had ceased to be the Director of the Company w.e.f closure of business hours on April 28, 2022. Therefore, his details were not mentioned in the above table.

Directors' Report: 2022 – 23

Information to the Board

The Board has unrestricted access to all Company related information. At Board/Committee meetings, department heads and representatives who can provide additional insights into the items being discussed are invited. The following are the illustrative list of agenda which the Company provides to the Board either as part of the agenda papers or by way of presentations during the meetings:

- Quarterly, half-yearly and annual financial results.
- Detailed presentations on business strategy and future outlook of the Company.
- All day-to-day operational matter.
- Related Party Transaction.
- Borrowings and Investments.
- Annual operating plans and budgets and other updates.
- Oversight of the performance of the business.
- Significant sale of investments, subsidiaries or assets which are not in the normal course of business.
- Major legal issues.
- Internal Audit Report.
- All other matters as required under SEBI LODR Regulations and Companies Act, 2013.

Code of Conduct for Directors and Senior Management

The Board of Directors are adhering to the requirements of SEBI LODR Regulations in relation to performance evaluation of Board of Directors as a whole, its Committees and Directors in their individual capacity.

These Codes are hosted on the website of the Company at <https://www.rustomjee.com/about-us/investor-relations/> and can be accessed in the codes/policies section. All the Board Members and Senior Management Personnel have to affirm compliance with these Codes. The Code of Conduct for the Board Members of the Company also includes Code for Independent Directors which is a guide to professional

conduct for Independent Directors, pursuant to section 149(8) and Schedule IV of the Act.

CEO/CFO Certification

The Chief Financial Officer of the Company has furnished an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI LODR Regulations for the FY 2023 which is enclosed at the end of this Report.

Familiarization Programme for Independent Directors

The Company's familiarization programs for its Independent Directors includes an overview of the Real Estate Industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company and the significant developments taking place on a continuous basis.

The familiarisation programme aims to provide insights to the Independent Directors to understand the business of the Company.

The Company periodically presents updates at the Board/Committee meetings to familiarise the Directors with the Company's strategy, business performance and so on. Policy on the familiarisation programme for the Independent directors are available on our website at <https://www.rustomjee.com/about-us/investor-relations/>

Board Evaluation

A. Criteria for performance evaluation of Independent Directors

The performance evaluation of Independent Directors contains various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, proficiency in relevant topics such as companies Law, securities Law, basic accountancy and all other laws and regulations applicable to the Company, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc.

B. Evaluation Framework and Evaluation Criteria

Sr. No.	Evaluation Category	Evaluation Criteria
1	Board of Directors	Evaluation by the Board on various criteria such as structure, composition, quality, diversity, experience, competencies, performance of specific duties and obligations, quality of decision making, board practices and overall effectiveness of Board as a whole
2	Board Committee	Evaluation by the Board after seeking inputs from the committee members on the basis of criteria such as committee composition, effectiveness of committee in terms of defined Committee charters

Directors' Report: 2022 – 23

3	Individual Director	Evaluation by the Board on parameters such as meeting attendance, time devotion and contribution, engagement with colleagues on the Board, preparedness for meetings, quality of discussion, entrepreneurial leadership, ability to express disagreement & divergent views and independent judgment etc.
4	Board Chairman	Evaluation of Chairman on certain additional parameters such as leadership development, Board management, Corporate governance etc.
5	Independent Directors	<p>Independent Directors were evaluated by the Board on performance indicators including:</p> <ul style="list-style-type: none"> • Devotion of sufficient time and attention towards professional obligations for independent decision making and for acting in the best interests of the Company. • Providing strategic guidance to the Company with a view to ensuring long-term viability and strength. • Bringing external expertise and independent judgment bringing in objectivity in the Board's deliberations

For FY23, performance of the Board was evaluated after seeking inputs from all the Directors. Performance of the committees was evaluated by the Board after seeking inputs from the committee members. The NRC and the Board reviewed the performance of individual Directors on the basis of various parameters as stated. In a separate meeting of Independent Directors, performance of non-Independent Directors and the Board as a whole was evaluated, taking into account the views of non-executive directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. All Directors participated in the performance evaluation process. The results of evaluation were discussed in the NRC and Board meeting held on August 07, 2023.

C. Evaluation process outcome

The Board Evaluation process indicates that there is a high level of Board effectiveness with no areas of major concern. The quality, quantity and timeliness of flow of information between the Company management and the Board is adequate for the Board to effectively and reasonably perform its duties. The Board committees and the Directors are performing their duties adequately. The Independent Directors are in true sense and spirit. They are participating and contributing effectively and efficiently in the Board and Committee Meetings.

Separate Independent Directors' Meetings:

The Independent Directors shall meet at least once in a year, without the attendance of Executive Directors and management representatives. It is recommended that all the Independent Directors of the Company be present at such meetings.

During the year under review, the Independent Directors met on March 27, 2023 inter alia, to:

1. Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole;
2. Evaluate the performance of the Chairman of the Company, taking into account the views of the Non-Executive Directors;
3. Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

Board confirmation regarding independence of the Independent Directors

All the Independent Directors of the Company have given and furnished their respective declaration/disclosures as prescribed under section 149(7) of the Act and Regulation 25(8) of the SEBI LODR Regulations and have duly confirmed that they fulfil the independence criteria as specified under Section 149(6) of the Act and Regulation 16 of the SEBI LODR Regulations and have also vouched that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Board after taking these declaration/disclosures on record and acknowledging the authenticity of the same, concluded that the Independent

Directors' Report: 2022 – 23

Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are independent of the Management.

None of the Independent Directors have resigned before the expiry of their tenure after the listing of the Company.

The brief profile and other information of Independent Directors are as given below:

Sr. No.	Particulars	Mr. Ramesh Tainwala	Mr. Rahul Divan	Ms. Seema Mohapatra
1	Age	63 years	54 years	54 years
2	Qualification	He holds a master's degree in management studies from the Birla Institute of Technology & Science.	He is a fellow member of the Institute of Chartered Accountants of India. (FCA) Fellow member of the Institute of Chartered Accountants in England and Wales (FCA). Has done Foundation Course in Accountancy, Oxford Polytechnic, Oxford, U.K. Has done B.A., Economics & Commerce, Bombay University.	She holds bachelor degree in commerce and MBA in Marketing
3	Experience	He was associated with Samsonite International S.A. as the Chief Executive Officer upto May 31, 2018. Presently, he is a Director in Samsonite South Asia Private Limited	He is Managing Partner of Rahul Gautam Divan & Associates, Mumbai, since 2000 and also he is Partner of Chandabhoy & Jassoobhoy, Ahmedabad	She has three decades of experience in the Media and Entertainment industry and brings a unique combination of executive and entrepreneurial expertise. Currently she is the co-founder of Ten Years Younger Productions and has produced critically acclaimed content. Prior to her transition to the world of film making, she had a long executive career with the BBC. She headed the South Asian Operation of BBC Advertising for BBC Worldwide. She was also a Member of the Board of Directors of BBC Worldwide India Private Limited and trustee of the BBC World Service Trust in India.
4	Terms & conditions of appointment	Not Applicable	Not Applicable	Not Applicable
5	Remuneration proposed	As mentioned in the Explanatory Statement of the Annual General Meeting Notice	As mentioned in the Explanatory Statement of the Annual General Meeting Notice	As mentioned in the Explanatory Statement of the Annual General Meeting Notice
6	Remuneration last drawn	NIL	NIL	NIL
7	Date of first appointment	May 11, 2022	May 11, 2022	May 11, 2022

Directors' Report: 2022 – 23

Sr. No.	Particulars	Mr. Ramesh Tainwala	Mr. Rahul Divan	Ms. Seema Mohapatra
8	Shareholding in the Company	NIL	NIL	NIL
9	Relationship with other Directors, Manager and other KMPs	None	None	None
10	Number of Board Meetings attended during the year	9	9	9
11	Other Directorships	Samsonite South Asia Private Limited Planet Retail Holdings Private Limited Tainwala chemicals and Plastics (India) Limited Wacoal India Private Limited Tainwala Trading and Investment Company Private Limited Tainwala Holdings Private Limited Concept Reality and Securities Private Limited Alpargatas India Fashions Private Limited Eergic Foundation	The Ruby Mills Limited Integra Engineering India Limited Baltic Consultancy and Services Private Limited Serendib Investments Private Limited Fairway Sports Private Limited	Rustomjee Realty Private Limited
12	Membership/ Chairmanship of Committees of other Boards	NIL	2	NIL

III. BRIEF PROFILE OF DIRECTORS

Mr. Boman Irani

He is a Chairman and Managing Director of the Company. He holds a bachelor's degree in engineering from M. H. Saboo Siddik College of Engineering. He is also the president of Confederation of Real Estate Developers' Associations of India (CREDAI). He has over 27 years of experience in the real estate industry. He has been associated with the Company as a Director since its incorporation.

Mr. Chandresh Mehta

He is a Executive Director of the Company. He holds a bachelors degree of technology in electrical engineering from Banaras Hindu University, Varanasi and a post-graduate diploma in management from Xavier Institute of Management, Bhubaneswar. He has 27 years of experience in the real estate industry.

Mr. Percy Chowdhry

He is a Executive Director of the Company. He holds a bachelor's degree in commerce from University of Bombay. He has 24 years of experience in the real estate industry.

Mr. Ramesh Tainwala

He is a Non-Executive Independent Director on the Board. He holds a master's degree in management studies from the Birla Institute of Technology & Science. He was associated with Samsonite International S.A. as the Chief Executive Officer upto May 31, 2018. Presently, he is a Director in Samsonite South Asia Private Limited

Mr. Rahul Divan

He is a Non-Executive Independent Director on the Board. He is a member of the Institute of Chartered Accountants of India and the Institute of Chartered Accountants in England and Wales. He is associated with Rahul Gautam Divan &

Directors' Report: 2022 – 23

Associates, Mumbai as the founding partner since 2000 and he is a partner of Chandabhoy & Jassoobhoy, Ahmedabad.

Ms. Seema Mohapatra

She is a Non-Executive Independent Director on the Board. She holds a post-graduate diploma in management from Xavier Institute of Management, Bhubaneswar. She is having 25 years of experience in the media & entertainment industry.

She has three decades of experience in the Media and Entertainment industry and brings a unique combination of executive and entrepreneurial expertise. Currently she is the co-founder of Ten Years Younger Productions and has produced critically acclaimed content.

Prior to her transition to the world of film making, she had a long executive career with the BBC. She headed the South Asian Operation of BBC Advertising for BBC Worldwide. She was also a Member of the Board of Directors of BBC Worldwide India Private Limited and trustee of the BBC World Service Trust in India.

IV. REMUNERATION TO DIRECTORS

The sitting fees to the Non-Executive Directors:

Sr. No.	Board/Committee	Sitting Fees per meeting (in ₹)
1	Board Meeting	₹ 50,000
2	Audit Committee Meeting	₹ 30,000
3	All other Committees Meetings	₹ 20,000

Senior management compensation

Senior management remuneration comprises of a fixed component and a variable component. Senior management is also eligible for ESOP grants as per Company policies in addition to the remuneration drawn. The NRC assesses and recommends to the Board, the compensation payable to the Senior Management including the KMPs as required under the Listing Regulations. The Nomination & Remuneration policy is available on our website at <https://www.rustomjee.com/about-us/investor-relations/>

Executive Director's & Independent Director's compensation

Details of remuneration paid to Directors during FY 2022-23 is given below

Name of the Director	Sitting Fees	Salary, Allowance, Perquisites*	Performance linked incentives	Commission	Total
(₹ in Lakhs)					
Executive Directors					
Mr. Boman Irani	NIL	423	NIL	NIL	423
Mr. Chandresh Mehta	NIL	393	NIL	NIL	393
Mr. Percy Chowdhry	NIL	282	NIL	NIL	282
Independent Directors					
Mr. Ramesh Tainwala	5.6	NIL	NIL	NIL	5.6
Mr. Rahul Divan	5.8	NIL	NIL	NIL	5.8
Ms. Seema Mohapatra	5.9	NIL	NIL	NIL	5.9

*Above numbers are on payment basis.

Directors' Report: 2022 – 23

Shareholding of the Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares. The table below sets forth details of Equity Shares held by the Directors as on date:

Sr. No.	Name of the Director	No. of Equity Shares held	Percentage
1.	Mr. Boman Irani	4,78,72,460	42.04
2.	Mr. Chandresh Mehta	2,39,36,230	21.02
3.	Mr. Percy Chowdhry	2,39,36,230	21.02
4.	Mr. Ramesh Tainwala	NIL	NIL
5.	Mr. Rahul Divan	NIL	NIL
6.	Ms. Seema Mohapatra	NIL	NIL

V. COMMITTEES OF THE BOARD

The Board Committees are the pillars of the governance structure of the Company. The Board Committees are formed as a means of improving board effectiveness and efficiency in areas where more focused, specialized and technically oriented discussions are required. These committees prepare the groundwork for decision-making and enhance the objectivity and independence of the Board's judgment.

The majority members constituting the Committees are Independent Directors and each Committee is guided by Terms of Reference, which outlines the composition, scope, roles & responsibilities of the Committees.

Mr. Bimal K Nanda, Company Secretary & Compliance Officer of the Company acts as Secretary to all the Board Committees.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. The details of the Committees formed by the Company are as follows:



Directors' Report: 2022 – 23

A. Audit Committee

The Audit Committee ("Committee") was constituted on May 11, 2022 and the Committee comprises of three Directors including two independent Directors namely:

1. Mr. Rahul Divan, Independent Director (Chairman);
2. Mr. Ramesh Tainwala, Independent Director, (Member);
3. Mr. Boman Irani, Chairman & Managing Director (Member)

The Chairman of the Committee is an Independent Director.

The scope and function of the Audit committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations and its terms of reference are as follows:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions; and
 - (g) Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
8. Approval or any subsequent modifications of transactions of the Company with related parties;
9. Scrutinising of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluating of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with internal auditors on any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

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16. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. Reviewing the functioning of the whistle blower mechanism;
 19. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority;
 21. Reviewing the utilization of loans and/or advances from/investment by the holding Company in any subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as per applicable law;
 22. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
 23. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services; and
 24. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
3. To obtain outside legal or other professional advice;
 4. To secure attendance of outsiders with relevant expertise, if it considers necessary; and
 5. Such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Reviewing Powers

The Audit Committee shall mandatorily review the following information:

1. Management's discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
 - (ii) annual statement of funds utilised for purposes other than those stated in the document/prospectus/notice in terms of the Listing Regulations.
7. Review the financial statements, in particular, the investments made by any unlisted subsidiary;

As required under the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee (being Independent Director) authorized by him on his behalf shall attend the General Meeting of the Company.

During FY2022-23, the Committee met four times i.e., on June 03, 2022, September 28, 2022, October 19, 2022 and February 07, 2023. All recommendations made by the Audit Committee during FY2022-23 were accepted by the Board.

Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;

Directors' Report: 2022 – 23

Attendance of Committee Members

Date of Meetings	Committee Members		
	Mr. Rahul Divan	Mr. Ramesh Tainwala	Mr. Boman Irani
June 3, 2022	Yes	Yes	No
September 28, 2022	Yes	Yes	Yes
October 19, 2022	Yes	Yes	Yes
February 7, 2023	Yes	Yes	Yes

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted on May 11, 2022 and it comprises of three Directors and all are Non-Executive Directors namely:

1. Mr. Ramesh Tainwala, Non-Executive Independent Director, (Chairman)
2. Mr. Rahul Divan, Non-Executive Independent Director (Member)
3. Ms. Seema Mohapatra, Non-Executive Independent Director (Member)

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

(1A). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- (a) use the services of an external agencies, if required;
- (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

- (c) consider the time commitments of the candidates.

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

2. Formulating of criteria for evaluation of the performance of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Analysing, monitoring and reviewing various human resource and compensation matters;

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7. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
12. Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
13. Recommend to the Board, all remuneration, in whatever form, payable to senior management."

During FY2022-23, the Committee met two times i.e. on May 11, 2022, and February 07, 2023. All recommendations made by the Nomination and Remuneration Committee during FY2022-23 were accepted by the Board.

Attendance of Committee Members

Date of Meetings	Committee Members		
	Mr. Ramesh Tainwala	Mr. Rahul Divan	Ms. Seema Mohapatra
May 11, 2022	No	Yes	Yes
February 07, 2023	Yes	Yes	Yes

C. Stakeholder Relationship Committee

The Stakeholder Relationship Committee was constituted on May 11, 2022 and it comprises of three Directors, including one Independent Director as on date:

1. Mr. Ramesh Tainwala, Independent Director (Chairman)
2. Mr. Chandresh Mehta, Director (Member)
3. Mr. Percy Chowdhry, Director (Member)

Company Secretary & Compliance officer

Mr. Bimal K Nanda

The scope and function of the Stakeholder Relationship Committee is in accordance with Section 178 of the Companies Act and the rules and regulations made thereunder, Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015. The terms of reference are as follows:

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
3. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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4. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
5. To approve, register, refuse to register transfer or transmission of shares and other securities;
6. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
7. Allotment and listing of shares;
8. To authorise affixation of common seal of the Company;
9. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
10. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
11. To dematerialize or rematerialize the issued shares;
12. Ensure proper and timely attendance and redressal of investor queries and grievances;
13. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
14. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

The gist of the complaints received during the F.Y. 2022-23 through various modes are given below:

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 The terms of reference are as follows:

- (a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company in areas or subjects as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- (b) formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
- (c) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- (d) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

Complaints Table

Particulars	SEBI	BSE	NSE	Letters	Mails
Pending from the date of Listing	NIL	NIL	NIL	NIL	NIL
Received during the year	NIL	NIL	NIL	NIL	NIL
Disposed during the year	NIL	NIL	NIL	NIL	NIL
Remaining unresolved at the end of the Year	NIL	NIL	NIL	NIL	NIL

The Committee was constituted on May 11, 2022 and Company got listed on November 24, 2022, hence no meetings were held during the last calendar year 2022.

D. CSR Committee

The Corporate Social Responsibility Committee was re-constituted on May 11, 2022.

The Corporate Social Responsibility Committee comprises of four Directors, including one Independent Director as on date:

1. Ms. Seema Mohapatra, Independent Director, (Chairperson)
2. Mr. Boman Irani, Chairman & Managing Director (Member)
3. Mr. Chandresh Mehta, Director (Member)
4. Mr. Percy Chowdhry, Director (Member)

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- (e) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- (f) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- (g) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- (h) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.
- During FY2022-23, the Committee met on October 19, 2022.

Attendance of Committee Members

Date of Meetings	Committee Members			
	Ms. Seema Mohapatra	Mr. Boman Irani	Mr. Chandresh Mehta	Mr. Percy Chowdhry
October 19, 2022	Yes	Yes	Yes	Yes

E. Risk Management Committee

The Risk Management Committee was constituted on June 03, 2022 and the Committee comprises of four Directors, including one Independent Director as on date:

- Mr. Boman Irani, Chairman & Managing Director, (Chairman)
- Mr. Chandresh Mehta, Director, (Member)
- Mr. Percy Chowdhry, Director (Member)
- Mr. Ramesh Tainwala, Independent Director (Member);

The scope and function of the Risk Management Committee is in accordance with the Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference are as follows:

The Risk Management Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

- Formulating a detailed risk management policy for inter alia risk assessment and minimization procedures which will include:
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly ESG related

risks), information, cyber security risks or any other risks as may be determined by the committee;

- Measures for risk mitigation including systems and processes for internal control of identified risks;
- Business continuity plan;

- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems, including cyber security;
- Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and the terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- To seek information from any employee, obtain outside legal or other professional advice and secure

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attendance of outsiders with relevant expertise, if it considers necessary; and

8. Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee.

Based on market capitalization as on March 31, 2023, the Company was enlisted in the list of top 1000 Companies based on the data available on the website of BSE Limited. The provisions of Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 are applicable to the Company from FY. 2023- 24 onwards.

VI. GENERAL BODY MEETINGS

Annual General Meetings (AGM)

Year	Date	Time	Location	Special Resolutions Passed
2022	September 28, 2022*	1:45 P.M.	702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra, India	NIL
2021	November 22, 2021*	11:00 A.M.	702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra, India	NIL
2020	December 30, 2020*	01:30 P.M.	702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra, India	NIL

*Prior to listing

In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2, the proceedings of the AGM were conducted at the Registered Office of the Company.

Extraordinary General Meetings (EGM) during FY23

An Extraordinary General Meetings of the Company were held on April 12, 2022, April 28, 2022, May 04, 2022, May 06, 2022, May 11, 2022 and June 03, 2022.

Postal Ballot during FY23

No special resolution was passed by the Company during the FY23 through Postal Ballot.

VII. SUBSIDIARY COMPANIES

The Company has 31 (thirty one) subsidiaries as on March 31, 2023:

Sr. No.	Name of Subsidiary Companies
1.	Amaze Builders Private Limited
2.	Credence Property Developers Private Limited
3.	Crest Property Solutions Private Limited
4.	Dynasty Infrabuilders Private Limited
5.	Enticer Realtors Private Limited
6.	Ferrum Realtors Private Limited
7.	Firestone Developers Private Limited
8.	Flagranti Realtors Private Limited
9.	Imperial Infradevelopers Private Limited
10.	Intact Builders Private Limited

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Sr. No.	Name of Subsidiary Companies
11.	Key Galaxy Realtors Private Limited
12.	Key Interiors Realtors Private Limited
13.	Keybloom Realty Private Limited
14.	Keyblue Realtors Private Limited
15.	Keyheights Realtors Private Limited
16.	Keysky Realtors Private Limited
17.	Keyspace Realtors Private Limited
18.	Keyorbit Realtors Private Limited
19.	Keyvihar Realtors Private Limited
20.	Keysteps Realtors Private Limited (w.e.f. March 31, 2023)
21.	Key Green Realtors Private Limited (w.e.f. March 31, 2023)
22.	Keystone Infrastructure Private Limited
23.	Kingmaker Developers Private Limited
24.	Luceat Realtors Private Limited
25.	Mirabile Realtors Private Limited (w.e.f. March 31, 2023)
26.	Mt. K Kapital Private Limited
27.	Navabhyudaya Nagar Development Private Limited
28.	Nouveau Developers Private Limited
29.	Riverstone Educational Academy Private Limited
30.	Rustomjee Realty Private Limited
31.	Xcellent Realty Private Limited

Regulation 16 of the LODR defines a **"material subsidiary"** to mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

By virtue of this definition, there was only one material subsidiary of the Company namely Rustomjee Realty Private Limited.

The subsidiaries Company(ies) function independently, with an adequately empowered Board of Directors and adequate resources. For more effective governance, the minutes of Board Meetings of subsidiary companies were placed before the Board of Directors of the Company for their review at every upcoming meetings.

In addition to the above, Regulation 24 of the SEBI Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not.

Ms. Seema Mohapatra, Independent Director of the Company has been appointed on the Board of Rustomjee Realty Private Limited.

VIII. MEANS OF COMMUNICATION

The Company recognizes the importance of two-way communication with Shareholders/Stakeholders. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of Company's corporate governance ethos.

a. Quarterly and Annual financial results

The quarterly and annual financial results are submitted to the Stock Exchanges and published in leading English and Marathi daily newspapers viz. Business Standard and Navshakti. Annual reports containing audited standalone and consolidated financial statements of the Company together with Director's Report, Auditors' Report and other important information are circulated to the Members and others entitled thereto and submitted to the Stock Exchanges. The Financial Results and Annual Report are also uploaded in the Investor Relation Section of

Directors' Report: 2022 – 23

the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>

b. Earnings calls and investor presentations

The Company organises earnings calls with analysts and investors post announcement of the results. The audio recording and transcript of such earnings calls including presentations made to the institutional investors and financial analysts are filed with the Stock Exchanges and uploaded on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

c. Official press releases & corporate announcements

Event based official press releases, corporate announcements and other material information is disseminated to the Exchanges where the Company's shares are listed and in media. All other filings like shareholding pattern, corporate governance report, financial results etc are filed electronically with the Stock Exchanges. All these are uploaded on the Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

d. Website

In compliance to the Regulation 46 of SEBI LODR, all the requisite information and documents as mentioned therein are uploaded and can be accessed at Company's website at <https://www.rustomjee.com/about-us/investor-relations/>.

IX. GENERAL SHAREHOLDER INFORMATION

The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars") has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue.

6. Equity Listing

The Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited (NSE) w.e.f. November 24, 2022. (INE263M01029). Annual listing fees for the year 2023-24 have been paid to both Stock Exchanges.

Name of the Stock Exchange	Address of the Stock Exchange	Scrip Code/Symbol
BSE Limited	P.J. Towers, Dalal Street, Mumbai - 400 001	543669
The National Stock Exchange of India Limited	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051	RUSTOMJEE

The Members can join the AGM in the VC/OAVM mode 15 minutes before commencement of the Meeting and at any time during the AGM by following the procedure mentioned in the Notice. The facility of participation through VC/OAVM provided by Link Intime India Private Limited.

In case of any query and/or help, in respect of attending AGM through VC/OAVM, Members may contact the help desk or board line number of Link Intime India Private Limited as provided in the AGM Notice for assistance.

1. Corporate Identity Number:

L45200MH1995PLCO94208

2. Registered Office Address:

702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra, India

3. Details of 28th Annual General Meeting

Day and date : Friday, September 22, 2023
Time : 04:00 PM
Venue : Meeting through VC/OAVM

4. Financial Year of the Company

The financial year of the Company starts on April 01 and ends on March 31 of next year. For the financial year ended March 31, 2023, the financial results were announced on the dates as given below:

#First Quarter	Not Applicable
#Second Quarter	Not Applicable
#Third Quarter	February 07, 2023
Fourth Quarter/Annual	May 22, 2023

#The Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited (NSE) w.e.f. November 24, 2022

5. Dividend Payment Date

No dividend is proposed to be paid for the Financial Year ended March 31, 2023.

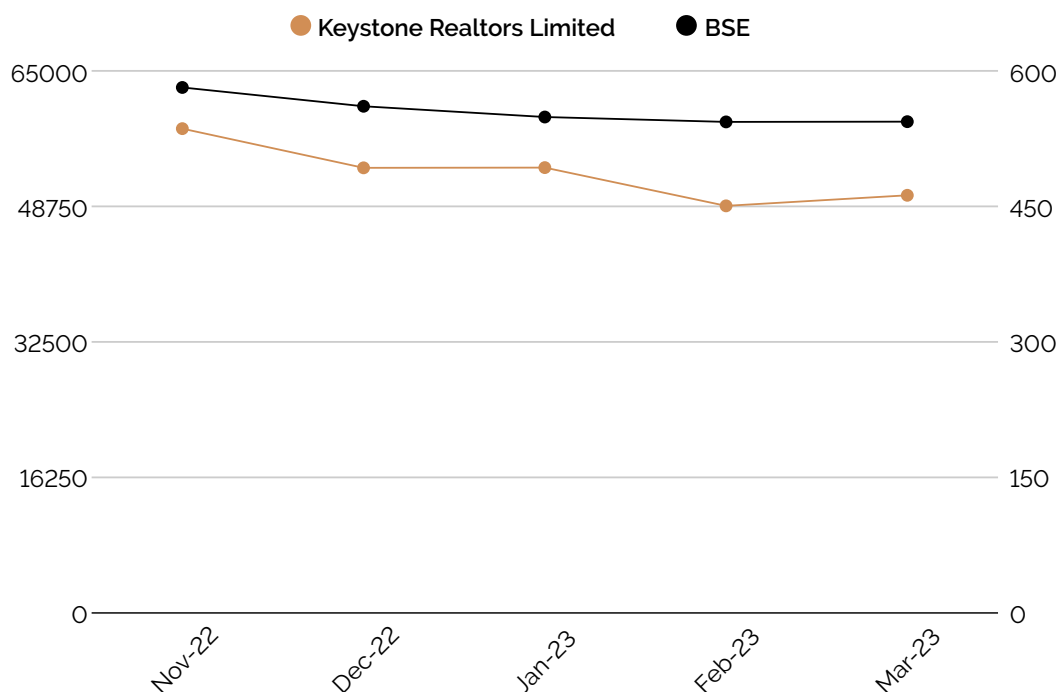
Directors' Report: 2022 – 23

Stock market price Data for the period November 24, 2022 to March 31, 2023:

Performance in the comparison to Broad based Indices

High/Low during each month during the Financial Year 2022-23

Month	BSE - Rustomjee			NSE - Rustomjee		
	High	Low	Close	High	Low	Close
Nov 2022	596.00	528.05	536.80	597.00	528.00	537.05
Dec 2022	563.65	469.25	493.35	563.55	470.00	494.60
Jan 2023	553.80	480.25	493.60	554.90	480.40	494.40
Feb 2023	520.00	441.05	451.20	517.50	441.00	453.15
Mar 2023	491.85	429.90	462.90	494.70	435.00	463.15



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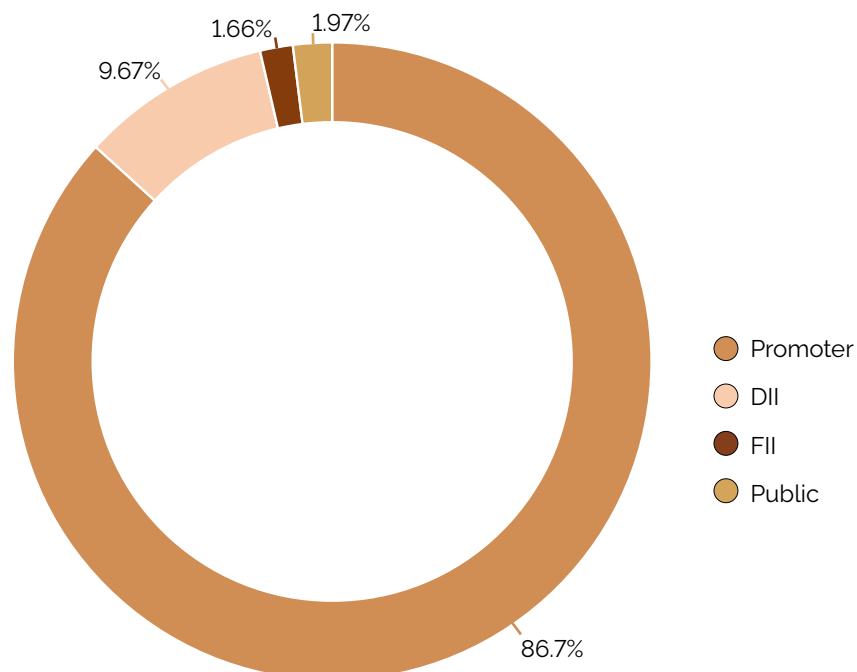
7. Registrar and Transfer Agents

Name	Link Intime India Private Limited
Address	C-101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400083, India.
Tel. No.	022 - 4918 6000
Fax	022 - 4918 6060
Email	linkcs@linkintime.co.in
Website	linkintime.co.in
Toll Free No.	1800 1020 878

8. Distribution of Shareholding as on March 31, 2023

Sr. No.	Category	No. of Shares held	% of total holding
1	Promoter and Promoter group	9,87,35,490	86.70
2	DII	1,10,18,556	9.67
	(i) Mutual Funds	27,14,112	2.38
	(ii) Alternate Investment Fund	30,38,909	2.67
	(iii) Insurance Companies	18,13,323	1.59
	(iv) Clearing Members	8,267	0.01
	(v) Bodies Corporate & LLP	34,43,945	3.02
3	FII	18,86,499	1.66
4	Public	22,36,878	1.97
	(i) Hindu Undivided Family	1,09,623	0.10
	(ii) Non Resident Indians (Repat and Non Repat)	12,901	0.01
	(iii) Individuals	21,14,354	1.86
	Total	11,38,77,423	100.00

Shareholding Summary



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9. Address for correspondence:

Shareholders may correspond with the Registrar and Transfer Agents for all matters relating to transmission/dematerialisation of shares, payment of dividend and any other query relating to Equity Shares of the Company at:

Name	Link Intime India Private Limited
Address	C-101, 1 st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400083, India.
Tel. No.	022 - 4918 6000
Fax	022 - 4918 6060
Email	linkcs@linkintime.co.in
Website	linkintime.co.in
Toll Free No.	1800 1020 878

The Company has also designated cs@rustomjee.com as an exclusive email ID for Investors for the purpose of registering complaints.

Share transfer system

The entire issued and paid up equity share capital is in electronic form and shares are freely transferable through the depositories.

In terms of Regulation 40 of Listing Regulations, transfer of securities in physical form shall not be processed unless the securities are held in dematerialised form with a depository.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtains yearly certificate from a practicing Company Secretary certifying that all transfers are completed within the statutory period. A copy of the certificates so received is submitted to both Stock Exchanges, where the shares of the Company are listed.

Dematerialization of shares and liquidity

The shares of the Company are in compulsory dematerialized segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As at March 31, 2023, all the shares of the Company were held in dematerialised mode.

10. Credit Rating:

In February 2023, ICRA has assigned A- (stable) rating.

11. In case the securities of the Company are suspended from trading, the reasons thereof:

Not Applicable

12. Management Discussion and Analysis Report:

Management Discussion and Analysis Report forms part of this Annual Report.

X. CODES AND POLICIES

The Company has adopted various policies which are in accordance with the provisions of the Companies Act, 2013 and SEBI LODR Regulations.

As per Regulation 17(5) of the Listing Regulations, 2015, requires listed companies to lay down a Code of Conduct for Directors and Senior Management, incorporating duties of directors as laid down in the Companies Act, 2013. The Board has formulated a code of conduct for the Board members and Senior Management Personnel of the Company and the same is placed on the website of the Company viz. <https://www.rustomjee.com/about-us/investor-relations/>

All Directors and Senior Management Personnel have affirmed compliance with the code for FY 2022-23. A declaration to this effect signed by the Chairman and Managing Director is given in this Annual Report.

Directors' Report: 2022 – 23

Names of Policies:

Antibribery and anti-corruption policy
Archival Policy
Board Diversity Policy
Code of Conduct
Corporate Social Responsibility Policy
Diversity and Inclusion Policy
Dividend Distribution Policy
Environment, Health & Safety Policy
Fair Disclosure Code
Familiarisation Policy
Grievance redressal Policy
Information Security Incident Management Policy
Nomination and Remuneration Policy
Policy on Materiality of Events
Policy on Preservation of Documents
Policy on Related Party Transactions
POSH Policy
Risk Management Policy
Sustainability Policy
Vigil Mechanism Policy

XI. OTHER DISCLOSURES

1. Compliance with Listing Regulations

Company has complied with the applicable requirements of Listing Regulations relating to Corporate Governance.

2. Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

3. Related Party Transactions:

All Related Party Transactions (RPTs) which were entered into by the Company during the Financial Year under review were on arms' length basis and were in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material RPTs under Regulation 23 of the Listing Regulations.

During the year 2022-23, as required under section 177 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, all RPTs were placed before the Audit Committee for approval.

There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company.

A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board and is placed on the website of the Company viz. <https://www.rustomjee.com/about-us/investor-relations/>

4. Non Compliances/Strictures/Penalties Imposed:

There were no penalties or strictures imposed on the Company by SEBI, Stock Exchange or any statutory authority on any matter related to capital market.

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5. Disclosure of Accounting Treatment:

The Company has followed all relevant Accounting Standards while preparing the Financial Statements.

6. Dividend Distribution Policy:

As per Regulation 43A in the Listing Regulations, Dividend Distribution Policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Board of the Company has adopted a Dividend Distribution Policy which is available on the website of the Company <https://www.rustomjee.com/about-us/investor-relations/>

7. Disclosure under the prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. During the year under review:

- Number of complaints filed: NIL
- Number of complaints disposed off: NIL
- Number of complaints pending as on end of the financial year: NIL.

8. Policy on Insider Trading:

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Employees of the Company. The Company has formulated a code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

The Company is in adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto.

9. Certificate under Regulation 34(3) of SEBI (LODR) Regulations, 2015:

M/s. DM & Associates Company Secretaries LLP, Practicing Company Secretary, have issued a certificate as required

under the Listing Regulations, confirming that none of the Directors on the Board of Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is appended and forms part of the Annual Report.

10. Disclosure of compliance with Corporate Governance requirements under Regulations 17 to 27 and Regulation 46(2) of the Listing Regulations:

The Company has complied with the requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

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

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing regulations. The Company has obtained a certificate of compliance from Deepak A. Varia & Co, Practicing Company Secretary which is enclosed with this Corporate Governance Report. The Company has reviewed the non-mandatory requirements as specified in the Listing Regulations and it shall be adopted/complied by the Company on need basis

12. Total fees paid to statutory auditors

Particulars	(₹ in Lakhs)
	Year ended March 31, 2023
Audit fees	90
Other services	6
Total	96

13. Loans and advances in which Directors are interested

The details of loans and advances in which directors are interested, is part of related party transactions schedule of standalone financial statements which is integral part of this Annual Report.

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Certificate of Corporate Governance Report

To
The Members
Keystone Realtors Limited

I, have examined the compliance of the conditions of Corporate Governance by Keystone Realtors Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

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

Deepak A. Variya & Co.
Practicing Company Secretary
P.R. No. 3405/2023

Deepak A. Variya
FCS: 8830,CP: 10111
UDIN: F008830E000353636

Place: Mumbai
Date: May 22, 2023

Directors' Report: 2022 – 23

CERTIFICATE BY CFO

COMPLIANCE CERTIFICATE IN ACCORDANCE WITH REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

I hereby certify that:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. I further State that there are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) that there are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **Keystone Realtors Limited**

Sajal Gupta
Chief Financial Officer

Place: Mumbai
Date: May 22, 2023

Directors' Report: 2022 – 23

Annexure 'C'

CSR REPORT

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company.

Over the decades, the Company has housed thousands of homes, each deliberately designed for community living. Our homes have been the core of our communities - A space to accommodate deepest passions, closest loved ones and entire lives. A space that holds the past sacred and the present secure. As for the future ... we are building beyond reality. The Company realises that communities need to be more than close-knit. Communities need to be well-knit. Our focus is on enabling access for those who want support towards those who want to support.

The CSR Committee members has decided that the Company should spend the CSR funds on the activities as specified in the Company's CSR policy and as specified in the Schedule VII of the Companies Act, 2013 and as amendments from time to time. This year, the Company have identified and supported NGOs and charitable organisations that help the Company further it's goal.

2. Composition of CSR Committee:

Name of Committee Members	Board Designation	Committee Designation	Number of CSR Committee meetings during the year	
			Held	Attended
Ms. Seema Mohapatra*	Non-Executive Independent Director	Chairperson	1	1
Mr. Boman Irani	Chairman and Managing Director	Member	1	1
Mr. Chandresh Mehta	Executive Director	Member	1	1
Mr. Percy Chowdhry	Executive Director	Member	1	1

*appointed on May 11, 2022

3. Provide the web-link of the website of the Company where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed: <https://www.rustomjee.com/about-us/investor-relations/>

4. Provide the details of 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

5. 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

Sr. No	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
1		NIL	NIL

6. Average net profit of the Company as per section 135(5): ₹ 9150.49 Lakhs

Directors' Report: 2022 – 23

7. (a) Two percent of average net profit of the Company as per section 135(5): **₹ 183 Lakhs**
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
- (c) Amount required to be set off for the financial year, if any: **NIL**
- (d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 183 Lakhs**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lakhs)	183
Amount Unspent (in ₹ Lakhs)	
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	Date of transfer
Name of the Fund	Amount
Date of transfer	Date of transfer
NA	NA
NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

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 Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
			State	District						Name	CSR Registration number
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

i) **Name of Project: Education**

Item from the list of activities in Schedule VII to the Act: promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects:

Name	Mode of Implementation - Through Implementing Agency	Location of the project			Amount spent for the project (₹ In Lakhs)
		Local area	State	District	
Aseema Charitable Trust	CSR00004000	Yes	Maharastra	Mumbai	29.00
Vatsalya Trust Mumbai	CSR00003134	Yes	Maharastra	Mumbai	6.00
Rustom Irani Foundation	CSR00006213	Yes	Maharastra	Mumbai	68.00
Shree Ramkrishna Shikshan Mandal Trust	CSR00029787	Yes	Maharastra	Mumbai	48.00

Directors' Report: 2022 – 23

ii) Name of Project: Health Care

Item from the list of activities in Schedule VII to the Act: eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation Including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water:

Mode of Implementation - Through Implementing Agency		Location of the project			Amount spent for the project (₹ in Lakhs)
Name	CSR Registration number	Local area	State	District	
Bai Jerbai Wadia Hospital for Children	CSR00000813	Yes	Maharashtra	Mumbai	15.00

iii) Name of Project: Social Welfare

Item from the list of activities in Schedule VII to the Act: promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups:

Mode of Implementation - Through Implementing Agency		Location of the project			Amount spent for the project (₹ in Lakhs)
Name	CSR Registration number	Local area	State	District	
Rescue Foundation	CSR00002161	Yes	Maharashtra	Mumbai	5.00
Bal Asha Trust	CSR00001250	Yes	Maharashtra	Mumbai	6.00

iv) Name of Project: Education, Social Welfare and Environment

Item from the list of activities in Schedule VII to the Act: Item stated in sub-clause ii, iii and iv.

Mode of Implementation - Through Implementing Agency		Location of the project			Amount spent for the project (₹ in Lakhs)
Name	CSR Registration number	Local area	State	District	
Reachout Foundation Mumbai	CSR00053255	Yes	Maharashtra	Mumbai	6.00

(d) Amount spent in Administrative Overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 183 Lakhs

(g) Excess amount for set off, if any

Sr. No	Particular	Amount (₹ in Lakhs)
1	Two percent of average net profit of the Company as per section 135(5)	183
2	Amount required to be set off for the financial year, if any:	NIL
3	Total CSR obligation for the financial year	183
2	Total amount spent for the Financial Year	183
3	Excess amount spent for the financial year [(ii)-(i)]	NIL
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

Directors' Report: 2022 – 23

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (₹ in Lakhs)	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 Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	
1	2019-20	NA	-	-	-	-	NIL
2	2020-21	NA	-	-	-	-	NIL
3	2021-22	NA	-	-	-	-	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Completed /Ongoing
NA	NA	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

- (a) Date of creation or acquisition of the capital asset(s): **Not Applicable**
- (b) Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **Not Applicable**
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **Not Applicable**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

For and on behalf of the Board of Directors

Seema Mohapatra

Independent Director & Chairperson of CSR Committee

DIN: 02608087

Date: May 22, 2023

Place: Mumbai

Directors' Report: 2022 – 23

Annexure 'D'

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
KEYSTONE REALTORS LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Keystone Realtors Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner required under Companies Act, 2013 and Secretarial Standards issued by Institute of Company Secretaries of India.

I have examined the books, papers, scanned extract of minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under and Secretarial Standards issued by Institute of Company Secretaries of India;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment.
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - 6) The Management has identified and confirmed the following laws as specifically applicable to the Company:
 - a) Maharashtra Regional and Town planning Act, 1966
 - b) Development Control and Promotion Regulations 2034
 - c) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
 - d) Real Estate (Regulation and Development) Act, 2016
 - e) Transfer of Property Act, 1882

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

- a) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with the Exchanges.

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

Directors' Report: 2022 – 23

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and where the Board Meetings were held at shorter notice, the agenda and detailed notes on agenda were sent at such shorter period. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.
- There is no dissenting view for any of the meeting by any members.

Based on review of compliance mechanism established by the Company, I further report that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period following specific events took place in the Company:-

1. During the year, the Company was converted into a Public Limited Company effective from May 06, 2022 upon issue of fresh certificate of incorporation from Registrar of Companies, Mumbai, Maharashtra and accordingly its name has been changed to "Keystone Realtors Limited".
2. Further, the Company on June 11, 2022 had filed Draft Red Herring Prospectus('DRHP') dated June 10, 2022 with SEBI for its initial public offering (IPO). Company on November 05, 2022 had filed the RHP with ROC for its IPO of ₹ 635 Crores comprising of a fresh issue of up to ₹ 560 Crores and an offer for sale of up to ₹ 75 Crores. The Equity Shares of the Company got listed on both the recognized stock exchanges (i.e. BSE and NSE) on November 24, 2022 and therefore, the status of the Company has changed from "Unlisted Public Limited Company" to "Listed Public Limited Company".
3. During the year, the Company raised ₹ 6,34,99,98,861/- through IPO of Equity Shares of the Company by issuance of 1,03,51,201 fresh equity shares and 13,86,320 offer for sale totaling to 1,17,37,521 Equity Shares of face value of ₹ 10 each issued at the premium of ₹ 531/-.
4. During the period under review, the Company had allotted the following securities on preferential basis by way of private placement:

Sr. No.	Date of Allotment	Name of the Allotees	Address of Allottees	Number of Equity Shares allotted	Total amount paid (including premium) (in INR)	Total amount to be paid on calls (including premium) outstanding (in INR)
1.	May 11, 2022	HDFC Capital Affordable Real Estate Fund – 3	Ramon House, H.T. Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai - 400020	15,01,952	75,00,00,000.00	Nil
2.	May 11, 2022	IIFL Special Opportunities Fund - Series 9	6th Floor, IIFL Centre, Kamala Mills, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013	7,50,975	37,49,99,501.43	Nil
3.	May 11, 2022	IIFL Special Opportunities Fund - Series 10	6th Floor, IIFL Centre, Kamala Mills, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013	2,50,325	12,49,99,833.81	Nil
4.	May 11, 2022	One-UP Financial Consultants Pvt. Ltd.	Plot No. 47, Master's, Hatkesh CHS Ltd. 7th N. S. Road, JVPD Scheme, Vile Parle (West), Mumbai 400049, Maharashtra	2,50,320	12,49,97,337.06	Nil

Directors' Report: 2022 – 23

Sr. No.	Date of Allotment	Name of the Allotees	Address of Allottees	Number of Equity Shares allotted	Total amount paid (including premium) (in INR)	Total amount to be paid on calls (including premium) outstanding (in INR)
5.	May 11, 2022	Jagdish Naresh Master	Plot No. 47, Master's, Hatkesh CHS Ltd. 7th N. S. Road, JVPD Scheme, Vile Parle (West), Mumbai 400049, Maharashtra	2,50,320	12,49,97,337.06	Nil
6.	May 11, 2022	Mahima Stocks Private Limited	1 Gauresh Apartments, Old Police Line, Andheri East, Mumbai - 400069	4,00,520	19,99,99,734.00	Nil
Total				34,04,412	1,69,99,93,743.36	Nil
2	September 06, 2022	Standard Chartered Bank (Singapore) Limited	8 Marina Boulevard #27-01, Marina Bay Financial Centre Tower 1, Singapore, 18981	970 Senior, Secured, Unlisted, Unrated, Non-Convertible Debentures	97,00,00,000.00	Nil
Total				970	97,00,00,000.00	Nil

5. On May 06, 2022 the Company has converted its 9113, 15%, unsecured, Optionally Convertible Debentures of ₹ 100/- each ("OCDs"):

Sr. No.	OCD Holders	No. of OCDs of ₹ 100/- each	No. of Equity shares of ₹ 10/- each to be allotted
1	Viking Trust	4,557	45,570
2	Chandresh Mehta Family Trust	2,278	22,780
3	Percy Chowdhry Family Trust	2,278	22,780
Total		9,113	91,130

6. On May 6, 2022, the Company has fully redeemed its 2,160 Redeemable Preference Shares of ₹ 10/ each at par.
7. During the period under review, the Company has adopted the 'Rustomjee Employee Stock Option Plan 2022' and granted 11,55,700 equity shares to its employees.
8. On May 4, 2023, National Company Law Tribunal, Mumbai Bench passed the order for approval of the Scheme of Amalgamation of Toccata Realtors Private Limited with Keystone Realtors Limited and their respective shareholders. The Company has filed the Form INC-28.

Sd/-

Ria Ahuja

Company Secretary

ACS No. 29556

C.P. No. 16838

Peer Review No.: 3597/2023

Place: Pune

Date: August 07, 2023

UDIN: A029556E000751233

Directors' Report: 2022 – 23

Annexure 'E'

PARTICULARS OF REMUNERATION

[Pursuant to Section 197(12) of the Act read with Rule 5 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014]

INFORMATION PURSUANT TO RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

- The ratio of the Remuneration of each Director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name	Ratio of remuneration of each director to median remuneration of the employees of the Company	% increase in remuneration in FY23
Executive Directors		
Mr. Boman Irani	43.04:1	No increase
Mr. Chandresh Mehta	43.04:1	No increase
Mr. Percy Chowdhry	21.52:1	No increase
Independent Directors*		
Mr. Ramesh Tainwala	NIL	
Mr. Rahul Divan	NIL	
Ms. Seema Mohapatra	NIL	
Chief Financial Officer		
Mr. Sajal Gupta	28.38:1	45.6%
Company Secretary		
Mr. Bimal K Nanda	7.20:1	13.5%

- *Appointed as Independent Director with effect from May 11, 2022.
- For all employees, remuneration is taken at cost to Company and excludes all one time payments and notional amortization value of stock options
- Employees who have worked for part of the fiscal are not considered in this working

- The percentage increase in the median remuneration of the employees in the financial year**

There was an increase of **11.17%** in the median remuneration of employees in FY23.

- The number of permanent employees on the rolls of the Company**

There were **313** permanent employees on the rolls of the Company as on March 31, 2023.

- Average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2022-23 and its comparison with the percentage increase in the managerial remuneration and justification thereof**

The average annual percentage increase in the salaries of employees other than key managerial personnel was **12.42%** as against an average annual percentage increase of **3.91%** to KMPs.

- Affirmation that the Remuneration is as per the Remuneration policy of the Company**

The Company affirms that the Remuneration of Directors is as per the Nomination & Remuneration policy of the Company.

BRSR

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L45200MH1995PLC094208
2	Name of the Listed Entity	KEYSTONE REALTORS LIMITED (KRL)
3	Year of incorporation	1995
4	Registered office address	702 - Natraj, M. V. Road Junction, Western Express Highway, Andheri East, Mumbai - 69
5	Corporate address	Same as above
6	E-mail	cs@rustomjee.com
7	Telephone	912266766888
8	Website	Rustomjee.com
9	Financial year for which reporting is being done	2022-23
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Ltd.
11	Paid-up Capital	₹ 113.88 Crores
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Bimal Nanda, +912266766885, bimalnanda@rustomjee.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a consolidated basis and pertain to KRL, its subsidiaries, associates & JVs. It covers all operations for economic, social and environmental performance disclosures.

II. Products/services

14	Details of business activities (accounting for 90% of the turnover):		
	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
a)	Real Estate	Construction	100%
15	Products/Services sold by the entity (accounting for 90% of the entity's Turnover):		
	Product/Service	NIC Code	% of total Turnover contributed
a)	Residential & Commercial Buildings	70	100%

III. Operations

16	Number of locations where plants and/or operations/offices of the entity are situated:			
	Location	Number of plants	Number of offices	Total
a)	National	No manufacturing plants. We have construction sites	2	2
b)	International	NIL	NIL	NIL

Note: The above numbers are of head office and corporate office

BRSR

17	Markets served by the entity:	
a)	Number of locations	
	Locations	Number
	National (No. of States & Union Territories)	01, Maharashtra, India
	International (No. of Countries)	India
b)	What is the contribution of exports as a percentage of the total turnover of the entity? NIL	
	Import	Export
c)	A brief on types of customers:	<p>At Rustomjee Group, we take pride in serving customers from various segments, encompassing all price points, who are in search of their dream homes. We understand that each customer has unique preferences and requirements, and we have a range of properties that caters to their diverse needs. Whether our clients are first-time home buyers looking for affordable options, families seeking spacious homes in family-friendly neighborhoods, or individuals interested in luxurious properties with exclusive amenities, we have something for everyone. Our comprehensive portfolio ensures that every customer, regardless of their budget, can find a home that matches their desires.</p> <p>We recognize that different segments of the market have different expectations, and we diligently tailor our offerings to meet those demands. From competitively priced homes that offer excellent value for money to high-end residences that boast exquisite craftsmanship and lavish features, we strive to exceed our customers' expectations and deliver unparalleled satisfaction.</p>

IV. Employees

18	Details as at the end of Financial Year:					
a)	Employees (including differently abled):		Male		Female	
	Particulars	Total (A)	Number (B)	(% of Total) (B/A)	Number (B)	(% of Total) (B/A)
1	Permanent	759	590	77.73%	169	22.27%
2	Other than Permanent	400	330	82.50%	70	17.50%
3	Total employees	1159	920	79.38%	239	20.62%
	Workers (including differently abled):		Male		Female	
	Particulars	Total (A)	Number	(% of Total)	Number	(% of Total)
1	Permanent	NIL	NIL	NIL	NIL	NIL
2	Other than Permanent	NIL	NIL	NIL	NIL	NIL
3	Total employees	NIL	NIL	NIL	NIL	NIL

BRSR

V.

21 Holding, Subsidiary and Associate Companies (including joint ventures):

Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1			
2	Please refer Annexure 1		

22 CSR Details:

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (₹ in Lakhs)	41,089
Net worth (₹ in Lakhs)	1,51,515

Trust/Foundation	CSR (in ₹ Lakhs)	Sector
Aseema Charitable Trust	29	Education
Bai Jerbai Wadia Hospital for Children	15	Health
Vatsalya Trust	6	Vocational training
Rescue Foundation	5	Human rights
Bal Asha Trust	6	Children education
Reachout Foundation Mumbai	6	Health, environment and education
Rustom Irani Foundation	68	Education
Shree Ramkrishna Shikshan Mandal Trust	48	Education
TOTAL	183	

Transparency and Disclosures Compliances

23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (If Yes, then provide web-link for grievance redress policy)	FY23			FY22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	NIL	NIL	NIL	NIL	NIL	NIL
Investors (other than shareholders)	Yes. Company's internal control systems, CFO and Fund raising department looks out this	NIL	NIL	NIL	NIL	NIL	NIL
Shareholders	Yes	NIL	NIL	NIL	NIL	NIL	NIL

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Transparency and Disclosures Compliances

23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct: (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (If Yes, then provide web-link for grievance redressal policy)	FY23			FY22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes. Our vigil mechanism process takes care of this requirement. We have documented a grievance redressal policy	NIL	NIL	NIL	NIL	NIL	NIL
Customers	Yes. The concerned SPOCs for sales & marketing; & project execution address the customer grievances.	6	6	NIL	NA	NA	NA
Value Chain Partners	No	NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify)	No	NIL	NA	NA	NA	NA	NA

24 Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environmental norms/ legislations	Risk	New laws related to environment (specifically climate related), CSR activities are being created and enforced. Adherence to these new laws poses challenge.	Our EHS team understands the regulatory requirements to be complied with for the different legal requirements. They also seek help from the Compliance team to understand any specific compliance requirements that may be applicable. These areas are covered under the internal audit program from a compliance point of view as well. As part of sustainability reporting, independent assessments conducted (by external consultants/experts) also help in addressing gaps if any in this area.	Negative Implications

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2	Regulatory Compliance	Risk	Failure to comply with regulatory requirements can manifest in financial and reputational consequences for an organisation and erode stakeholder trust.	The Company has a robust set of environmental, social and governance-related policies to foster a culture of compliance within the organisation. Disciplinary measures and reinforcement mechanisms have been defined as well. The ESG organogram further highlights the importance of overall compliance by positioning the CS in a key role, ensuring overall corporate governance in all three verticals (ESG). In addition, Legal and functional teams also monitor the regulatory compliances across businesses at defined frequencies.	Negative Implications
3	Scarcity Of Water	Risk	Water is a shared resource, making it important for businesses to use it responsibly. Ensuring responsible consumption is key to the business' social license to operate and a sustainable planet for all.	<p>Mumbai and its suburban areas/adjoining districts receive good rainfall every year and ground water table is recharged. The turbidity of water and the sulphate and iron content in water used for construction may pose a threat to quality of construction (corrosion etc). The cost of treatment of GW, procuring water and non-supply of municipal water will become a high-risk event in the future. KRL and its subsidiaries continues to adopt water conservation strategies across all of the existing project sites and also supplement internal water generation by procuring water from outside agencies.</p> <p>Water being an important resource in construction industry its scarcity may lead to disruptions in operations and delay timelines of project completion.</p> <p>Rainwater harvesting system has been implemented at few facilities which helps in increasing the ground level water. This results in release of sub soil water from recharge pits, and this reduces the dependency on external agencies.</p> <p>The Company has instituted an EHS Policy that highlights the importance of Resource Conservation, this serves as a guiding principle to reduce consumption of water and other resources. The EHS team runs awareness campaigns to ensure that all personnel are aware of the risk related to water shortage.</p>	Negative Implications
4	Human Rights such as child labor, forced/ compulsory labor, health and safety, discrimination and freedom of association and collective bargaining including anti-harassment	Risk	Upholding human rights is essential to protecting organization's communities, employees and other stakeholders.	The Company has constituted a standing forum, both at the Group Level as well as at individual entity level, that aids and advises the management in its approach towards building sustainable Human Rights. Group HR is responsible to ensure that any issue or impact related to human rights are addressed in the defined manner within the stipulated timeline. The Company has a robust contractor management system which ensures human rights practices are adhered to (as per ILO) by the contractors supplying man-power to the Company. We have very stringent norms for child labor, anti-discrimination, forced labor or bonded labor, anti- harassment, workers health and safety and other human rights issues at all project sites.	Negative Implications
5	Economic Performance	Opportunity	Ensuring business profitability and strong economic performance helps deliver value to investors and reinvest in the growth of the business, employees, communities and other stakeholders.	The Company thrives to deliver strong economic performance through our operational practices and risk mitigation strategies that supports the nation building and create a value for all the stakeholders.	Positive Implications

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MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs?. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
c. Web Link of the Policies, if available	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	WIP
2 Whether the entity has translated the policy into procedures? (Yes/No)	No	No	No	No	No	No	NA	No	No
3 Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	NA	No	No
4 Name of the national and international codes/certifications/labels/standards adopted by your entity and mapped to each principle.	No	No	No	No	No	No	NA	No	No
5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	No	No	No	No	No	No	NA	No	No
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Being our first year for reporting and data collection, performance evaluation will be done next year and will be reported accordingly. (P7 is not applicable)								

Governance, leadership and oversight

7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer CMD's Letter in the annual report								
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Boman Irani CMD								
9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, CMD is nominated Director for decision making on sustainability related issues.								
10 Details of Review of NGRBCs by the Company:									
Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Being our first year as a listed Company, the performance evaluation will be done in next year and will be reported accordingly. (P7 is not applicable)								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with all relevant statutory requirements								

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Subject for Review	Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Being our first year as a listed Company, the performance evaluation will be done in next year and will be reported accordingly. (P7 is not applicable)								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Quarterly								
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. Through an external independent consultant, except P7 which is not applicable.								
12 If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
Questions									
a. The entity does not consider the Principles material to its business (Yes/No): NA									
b. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles. (Yes/No): NA									
c. The entity does not have the financial or/human and technical resources available for the task (Yes/No): NA									
d. It is planned to be done in the next financial year (Yes/No): NA									
e. Any other reason (please specify): NA									
Policy details and web links									
P1 Ethics & Transparency	Rustomjee Group several policies published externally and internally elucidate ethical behavior, transparency, and accountability. (Some of the policies are available on website and some are part of employee handbook) Whistleblower Policy Nomination & Remuneration Policy Code of conduct – BODs & Senior Management Policy for Determining Material Related Party Transactions Anti-Bribery and Anti-Corruption Policy Insider Trading Policy Internally published in the handbook - Integrity Policy, Code of Conduct for Employees,								
P2 Service Responsibility	KRL believes that sustainable production and consumption are interrelated, contributing to enhanced quality of life, and protecting and preserving the earth's natural resources. Sustainability Policy Environmental Health & Safety Policy Code of conduct – BODs & Senior Management Internally published - Integrity Policy, Code of Conduct for Employees, Supplier Code of Conduct will be available in FY24								
P3 Human Resources	KRL has the following policies to support employee well-being. Diversity and Inclusion Policy Environmental Health & Safety Policy Internally published – Diversity & Inclusion Policy, Prevention of Sexual Harassment Policy, Grievance Redressal Policy, Maternity leave policy, Leave Policy,								

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P4	Responsive to Stakeholders	<p>KRL recognizes that businesses have a responsibility to maximize the positive impacts and minimize and mitigate the adverse impacts of its services, operations, and practices on all their stakeholders.</p> <p>Policy for Determining Material Related Party Transactions</p> <p>CSR Policy</p> <p>Sustainability Policy</p> <p>Supplier Code of Conduct will be available in FY24</p>
P5	Human Rights	<p>The Code of Conduct details the policy with respect to human rights. KRL, through its Policies, upholds human rights as enshrined in the Constitution of India and supports the principles in the United Nations' Universal Declaration of Human Rights.</p> <p>POSH</p> <p>Whistle blower Policy</p> <p>Diversity & Inclusion Policy</p> <p>Grievance Redressal Mechanism</p> <p>Internally published - Code of Conduct, Prevention on Sexual Harassment Policy.</p>
P6	Restore Environment	<p>Environmental responsibility is a prerequisite for sustainable economic growth and for the well-being of society. KRL adopts environmental practices and processes that minimize or eliminate the adverse impacts of its operations. In addition, employees are sensitized against wasteful usage of natural resources and conserve energy.</p> <p>Sustainability Policy</p> <p>Environmental Health & Safety Policy</p>
P7	Public Advocacy	<p>While KRL may share its expertise to help in the formulation of public policy, it does not directly engage in lobbying or advocacy activities and hence, does not have a specific policy for this purpose.</p>
P8	Inclusive Growth	<p>Our Corporate Social Responsibility charter encompasses activities with a focus on the marginalized and vulnerable sections of the society. KRL focuses on providing education to the less privileged member of society, contributing to the overall development with a specific focus on disadvantaged, vulnerable and marginalized communities deprived of education and learning.</p> <p>Corporate Social Responsibility Policy</p> <p>Sustainability Policy</p>
P9	Customer Engagement	<p>Being a customer centric brand believing in bringing people together.</p> <p>Community events & festival celebrations at our residential projects.</p> <p>proactive communication with the customers on new project launches and initiatives, and any other developments in the company.</p> <p>Quality Policy</p>

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Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1					
Percentage coverage by training and awareness programmes on any of the Principles during the financial year:					
Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes		
Board of Directors	As part of Board Meeting	Insider Trading, POSH, BOD COC	100%		
Key Managerial Personnel	PPT's on E-mails	Insider Trading, Sustainability, POSH, Info Security	100%		
Employees other than BoD and KMPs	12 Webinars	POSH, Whistle Blower, EHS and sustainability policy, Information Security	% cover, POSH - 51%, EHS & Sustainability - 35%		
Workers	516	Health and Safety - awareness and skills trainings for contract labour at sites	100%		
2					
Details of fines/penalties /punishment/award/ compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):					
Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL
Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

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- 3 Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
NA	NA

- 4 Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available,

<https://www.rustomjee.com/about-us/investor-relations/>

It is also a part of our employee hand-book

- 5 Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption

	FY23	FY22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

- 6 Details of complaints with regard to conflict of interest:

	FY23		FY22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

- 7 Provide details of any corrective action taken or underway on issues related to fines/ penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest. NIL

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- 1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY23	FY22	Details of improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	NA	NA	NA

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2	<p>a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)</p>	<p>No</p> <p>We are in the process of aligning our procurement practices with the organization's sustainability focus, the green infrastructure imperatives, and the organization-wide application of sustainability. This implies green procurement, with its screeners based not only on quality and cost but also on the environmental impacts of purchase and usage over long term horizons.</p> <p>Some of KRL's completed and existing projects are certified under CII's Green building IGBC certification scheme and achieved silver rating. KRL aims to achieve IGBC certification for all its upcoming projects and aims for gold rating as and where possible, which will propel us further to apply green procurement objectives to our overall procurement strategy. KRL's procurement team is involved actively in identifying and generating green alternatives to traditional purchasing. We plan to actively engage with and influence our supplier ecosystem towards better sustainability in the years to come. We believe in helping our supply chain partners to inculcate sustainable practices and processes in their operations too. Going forward, we are stepping up our efforts in influencing this task in a more tangible way.</p> <p>KRL plans to create a supplier code of conduct in the future. We are in the process of modifying our PO to include the normative clauses on EES parameters such as labor (child labor, forced or compulsory labor), working conditions at supplier sites, health and safety and protection of the environment. This outlines our commitment to make our supply chain more responsible and sustainable. For all purchases, we plan to specifically incorporate sustainable guidelines as part of Purchase Order terms.</p>
	<p>b. If yes, what percentage of inputs were sourced sustainably?</p>	<p>NIL. Refer point 2(a)</p>
3	<p>Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.</p>	<p>As an environmentally responsible organization, we aim to approach waste management not only through systems and technology routes but also through advocacy and sensitization—thereby influencing behavioral change. Reduce-Reuse- Recycle will be our mantra for waste management.</p> <p>Steel: Unused steel is being sent for recycling through identified and internally approved vendors by Procurement in Head Office</p> <p>Plastic waste: Non-biodegradable plastic waste generated within our establishments is sorted out safely and discarded to designated vendors for recycling/reuse.</p> <p>E-waste: All electronic waste generated within Company premises is discarded within 180 days in accordance with e-waste management rules and is handed over to vendors approved by State Pollution Control Board for recycling.</p> <p>Hazardous waste: All hazardous waste is disposed through the SPCB-authorized vendor as per the regulatory requirements.</p> <p>Other waste: Biodegradable food waste and dry waste from labor camps is being disposed by BMC. Construction debris is sent for landfill through BMC.</p>
4	<p>Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.</p>	<p>Not Applicable</p>

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PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1 a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)
Permanent employees											
Male	590	590	100%	590	100%	NA	NA	NIL	NIL	NA	NA
Female	169	169	100%	169	100%	169	100%	NA	NA	NA	NA
Total	759	759	100%	759	100%	169	100%	NIL	NIL	NA	NA
Other than Permanent employees											
Male	330	330	100%	74	22%	NA	NA	NIL	NIL	NA	NA
Female	70	70	100%	25	36%	70	100%	NA	NA	NA	NA
Total	400	400	100%	99	25%	70	100%	NIL	NIL	NA	NA

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total											
Other than Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total											

2 Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY23			FY22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity**	100%	NA	Yes	100%	NA	Yes
ESI	100%	NA	Yes	100%	NA	Yes
NPS	8%	NA	Yes	8%	NA	Yes
Superannuation	0	NA	NA	0	NA	NA

Note:

**Gratuity - Covers full time employees.

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3 Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our offices have been designed with a strong emphasis on inclusivity and accessibility. The office spaces are located in buildings provided with Lifts and the floor space is flat wherein any special arrangement is not necessary. We have also provided height-adjustable workstations for better ergonomics and comfort of personnel. Our projects are designed to accommodate the needs of specially-abled persons/customers such as provision of ramps for access, parking spaces for wheel chairs, washroom facilities in common areas.

4 Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, our diversity and inclusion policy has these provisions. Yes, KRL has a diversity and inclusion policy that meets the Rights of Persons with Disabilities Act, 2016. As an inclusive employer, KRL actively encourages the recruitment, development, and retention of people with disabilities, provides equal opportunity in the workplace, and is committed to providing a safe, accessible, and healthy work environment. Recruitment of people with disabilities, in addition to providing necessary and customized support to help them realize their potential, is encouraged at KRL. We also support employees who have acquired disabilities during their employment. This policy is posted on the website.

5 Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	NA	NA
Female	2	100%	NA	NA
Total	2	100%	NA	NA

6 Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.: Yes

	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	NA	NA
Other than Permanent Workers	NA	NA
Permanent Employees	Yes	We have a documented grievance redressal policy that is a part of our employee handbook that covers all employees and OTE's
Other than Permanent Employees	Yes	

7 Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY23			FY22		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)

Total Permanent Employees NA as the company does not have any employee union and does not have any workers
 Male

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Female

Total Permanent
Workers

NA as the company does not have any employee union and does not have any workers

Male

Female

8 Details of training given to employees and workers: HRC

Category	FY23				FY22					
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (B)	% (B/A)		No. (B)	% (B/A)	No. (B)	% (B/A)
Employees										
Male	590	150	25%	170	29%					
Female	169	25	15%	40	24%				NA	
Total	759	175	23%	210	28%					
Workers										
Male	NA	NA	NA	NA	NA					
Female	NA	NA	NA	NA	NA				NA	
Total	NA	NA	NA	NA	NA					

Note: We do not have permanent workers on our pay roll. Labour hired on contract at project sites are first inducted for Health and Safety and regular awareness and tool box sessions are conducted on Health and Safety at all sites

9 Details of performance and career development reviews of employees and worker:

Category	FY23			FY22		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	920	920	100%	453	453	100%
Female	239	239	100%	112	112	100%
Total	1159	1159	100%	565	565	100%
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total						

10 Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?
- Yes, KRL has implemented Occupational health and safety requirements in letter and spirit. An EHS policy has been established, and it covers our HO and all project sites. It describes our philosophy and commitment towards managing key aspects of HSE. Regular inspections of critical and hazardous processes are being done at pre-defined intervals by site safety team. Internal audits are conducted six monthly by an external consultant. Detailed risk assessment has been done for all the operations within the project sites, and appropriate control measures are implemented to mitigate the identified risks/hazards. All our project sites and offices including HO are equipped with firefighting and emergency response equipment and systems. Employees and contractual staff including workers are inducted on Health and Safety and receive regular training through various measures such as Tool Box Talk's, classroom trainings and online sessions to raise their safety awareness. Safety posters are displayed across the premises to create awareness. We understand that employee and worker well-being is essential to maintaining our leading business performance. We constantly update and improve the range of physical support we provide to our employees and contractual staff including workers at project sites.

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b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	A process has been established for Hazard Identification & Risk Assessment. All the hazards/risks arising out of the operations of a facility are identified and scored based on two parameters (Frequency & duration and severity & likelihood). Detailed risk assessment has been done for all the operations within the project sites, and appropriate control measures are implemented to mitigate the identified risks/hazards. Detailed process/procedure for Hazard identification and risk assessment is documented in our safety manual and available at all sites
c.	Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	Yes. As described in safety manual
d.	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

11 Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY23	FY22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	NA
	Workers	0.009	NA
Total recordable work-related injuries (TRIFR)	Employees	0	NA
	Workers	1.74	NA
No. of fatalities	Employees	0	NA
	Workers	1	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	NA
	Workers	0	NA

12 Describe the measures taken by the entity to ensure a safe and healthy work place.

At KRL, our top priority has always been to ensure the safety and health of our team while safeguarding the interests of the communities in which we operate and the clients we serve. We follow the OHS Framework principles in letter and spirit at all our project sites. Our EHS Policy covers all our locations and people - permanent employees, contractual employees, and vendors. We comply with all applicable health and safety regulations as per the BOCWA requirements. KRL has occupational health and safety key matrix with regular monitoring of OHS compliance, near-miss recordings, incident recordings, lost time injury recordings, emergency preparedness, operational controls monitoring and measurement, and training & awareness.

This year, our projects sites independently conducted various programs covering various topics on construction safety, training our people in comprehensive wellbeing, promoting healthy behaviors and safety, preventing, and mitigating several health and safety risk impacts. Total number of 516 Health and Safety awareness trainings and 4247 numbers of toll box talks and safety briefings were conducted across all project sites. 13000 workers were inducted on Health and safety and 170066 number of workers were covered in the safety briefings conducted at project sites. Regular health and safety inspections are conducted at all project sites by our safety team. Last year a total of 115 inspections were conducted.

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13 Number of Complaints on the following made by employees and workers:

	FY23			FY22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

14 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions. **The corrective actions are taken on all the observations/findings noted during the assessment process. This is an ongoing practice at sites.**

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1 Describe the processes for identifying key stakeholder groups of the entity.

Employees, Customers, Investors, Suppliers, Contractors, Government Agencies.

We are an organization born inclusive in nature and purpose. Since our inception, we have included diverse segments of people in our talent pool, contributed to social causes even in tough business climates, treated suppliers like our partners and our customers with dedicated commitment, all along driven by our inclusive values and principles. They indicate how KRL extended its inclusivity to larger stakeholders from the beginning with its insistence on stakeholder identification and engagement.

KRL has identified and prioritized its key stakeholder segments based on their impact on the organization and the organization's impact on them.

Sustainability framework is bringing a formal process to the philosophy already being practiced at KRL. Stakeholder consultation on sustainability aspects although has not been an integral part this year, we intend to make it a key part of the materiality exercise in the next couple of years. We will then also be in a position to determine methods for engaging with our key stakeholders. The wide range of engagement platforms designed will help us in staying connected to stakeholder concerns and expectations from KRL.

These platforms will also work as a source of critical stakeholder feedback for us.

BRSR

2 List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee	No	Meetings (including Town hall meetings) and E-mails	Annually, Quarterly	Health & Safety at workplace, HR policies, Compliance to ESG by different departments, Reward & Recognition.
Customers	No	Meetings and E-mails	Daily/Weekly/ Quarterly/Event based	Business related and other allied matters.
Investors	No	Meetings and E-mails	Quarterly & Event Based	Business performance review.
Suppliers	No	Meetings and E-mails	Daily/Weekly/ Quarterly/Event based	Negotiations, New contracts, Payments, Updates on new products which are sustainable, Quality of products.
Contractors	No	Meetings and E-mails	Daily/Weekly/ Quarterly/Event based	Issues related to labour compliances including welfare, health & safety of contract labour at sites & labour camps.
Government agencies	No	Meetings and E-mails	As and when required/needed	Discussion on compliances with legal authorities on existing & upcoming regulations.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY23			FY22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	759	387	51%	NA	NA	NA
Other than permanent	400	NIL	0	NA	NA	NA
Total Employees	1159	387	33%	NA	NA	NA
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Workers	NA	NA	NA	NA	NA	NA

BRSR

2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY23					FY22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	590	8	1%	582	99%	453	3	1%	450	99%
Female	169	0	0%	169	100%	112	1	1%	111	99%
Other than Permanent										
Male	330	271	82%	59	18%	259	165	64%	94	36%
Female	70	65	93%	5	7%	50	39	78%	11	22%
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3 Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)				
Promoter Directors	3	₹ 414.00 Lakhs		
Independent Directors	2		1	0
Key Managerial Personnel	5	₹ 207.00 Lakhs	0	0
Workers	0		0	

4 Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) **Yes GRC, POSH Committee, Whistle Blower Committee**

5 Describe the internal mechanisms in place to redress grievances related to human rights issues. **GRC, POSH and through Whistle Blower. Policies have been defined for Grievance redressal of employees. We have defined The Grievance Redressal policy for employees in FY22_23 that is a part of the employee handbook and therefore accessible to all employees. The policy provides the mechanism for reporting and recording grievances and the escalation matrix to resolve the same. POSH Policy is also part of the employee handbook and has been cascaded to all employees throughout KRL and its subsidiaries through a webinar. A well-defined Whistle blower policy enumerates actions to be taken by the employees in case of untoward incidents that demand attention of Top Management. The policy is part of employee handbook and has been cascaded to all employees through a webinar like the other policies for Human Rights to ensure ease of deployment and understanding.**

BRSR

6 Number of Complaints on the following made by employees and workers:

	FY23			FY22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

7 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases. **All our above-mentioned policies clearly define the action taken to protect the complainant from adverse consequences.**

8 Do human rights requirements form part of your business agreements and contracts? (Yes/No) **Yes - for Labour contracts**

9 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

10 Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

We at KRL are very proactive and vigilant about the workforce deployed at all our sites and have mechanisms in place to ensure there is no child labor or forced labor. Although, the POSH policy has not been cascaded in a formal manner to the workers, we have explicitly communicated the need to raise their voice in-case they have any threat from a person or situation. We follow the diversity and inclusion policy at all our sites in letter and spirit ensuring there is no discrimination. Our contract agreement with labor agencies ensures minimum wages and other benefits (PF/ESIC) are being paid to the workers deployed at our construction sites besides ensuring that all human rights principles as per the ILO and Universal declaration for Human Rights are followed to the utmost extent by our contractor providing man-power at our sites, we have very stringent norms for child labour, forced labour and harassment at workplace and ensure these are complied to without any exception. .

BRSR

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1		
Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:		
Parameter	FY23	FY22
Total electricity consumption (A)	4278622 - KWH 15403 GJ	NA
Total fuel consumption (B)	31186.09 Lts 1138.51 GJ	NA
Energy consumption through other sources (C)	6726 kgs 318.14 GJ	NA
Total energy consumption (A+B+C)	16859.65 GJ	NA
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.410GJ/Lakhs	NA
Energy intensity (optional) – the relevant metric may be selected by the entity		NA
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No
2		
Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.		NA
3		
Provide details of the following disclosures related to water, in the following format:		
Parameter	FY23	FY22
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water (KL)		NA
A: BMC/TMC	A. 10271.2	
B: Private Tankers	B. 182848.0	
C: Drinking water tankers	C. 14.2195	
D: Packaged drinking water	D. 198.332	
(iv) Seawater/desalinated water	NIL	NA
(v) Others	NIL	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	193331.55	NA
Total volume of water consumption (in kilolitres)	193331.55	NA
Water intensity per rupee of turnover (Water consumed/turnover)	4.70KL/Lakh	NA
Water intensity (optional) – the relevant metric may be selected by the entity		NA
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

BRSR

4 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. **No**

5 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY23	FY22
Nox	mg/Nm ³	46.1	NA
SOx	mg/Nm ³	117.5	NA
Particulate matter (PM)	mg/Nm ³	41.5	NA
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others – please specify		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

6 Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY23	FY22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) (Metric tonnes of CO ₂ equivalent)	Metric tons of CO ₂ equivalent	104.74	NA
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) (Metric tonnes of CO ₂ equivalent)	Metric tons of CO ₂ equivalent	3485.28	NA
Total Scope 1 and Scope 2 emissions per rupee of turnover	Total scope 1 and 2 emissions MTCO ₂ equivalent	3590 0.087 MTCO ₂ Eq/Lakh	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

BRSR

- 7 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.
- The key initiatives contributing to the reduction in Green House Gas emission as part of our IGBSC certification for Green Buildings are:
- We are making sustained efforts to Enhance Energy Performance by increasing the percentage of energy efficiency in all our projects by utilizing a combination of different building products, retrofits and designing our homes to ensure maximum day light savings, increased fresh air ventilation, reduced solar heat gain coefficient and optimizing the "u" value.
- Some of the building materials being used and promoted at our sites include: Solid Cement blocks, SGU glass, VRF and Roof with 75 mm insulation. We also have Integrated Energy Monitoring System.
- In the from of Energy Metering for end uses like common area, exterior area, treated waste water pumping and BMS for HVAC, lighting, elevator, renewable energy.
- Further,**
1. We encourage green commuters by providing cycle stands and EV charging points at some our residential projects.
 2. We continue to encourage the use of clean energy to reduce our dependence on non-renewable energy sources. To achieve our objective, we are exploring various options and alternatives to non- renewable energy sources such as Power Purchase Agreements (PPA) with our service providers, green tariff and solar plants. This shall be institutionalized in the coming FY23-24.
 3. We are also focusing on higher ratings for our upcoming residential buildings. All old and new projects owned by KRL are designed according to green building standards for energy and resource efficiency. They have roof top solar photovoltaic installations to reduce the carbon footprint.
 4. In FY 2022-23, projects were taken up to improve the energy efficiency in existing buildings as well through retrofits, use of sustainable building materials and other initiatives proposed as part of our green building partners. Our forward-looking goals propel us to not only achieve higher standards of ratings but to also deliver our commitment to sustainable living to all our customers in the coming years.
- 8 Provide details related to waste management by the entity, in the following format:

Parameter	FY23	FY22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	569.32 MT	Data not available
E-waste (B)	NIL	NA
Bio-medical waste (C)	NIL	NA
Construction and demolition waste (D)	8993 MT	NA
Battery waste (E)	NIL	NA
Radioactive waste (F)	NIL	NA
Other Hazardous waste. Please specify, if any. (G)	NIL	NA
Other Non-hazardous waste generated (H). Please specify, if any.	176.43 MT 156.51 MT	NA
(Break-up by composition i.e. by materials relevant to the sector)		NA
Total (A + B + C + D + E + F + G + H)	9896.00 MT	NA

BRSR

8 Provide details related to waste management by the entity, in the following format: (Contd.)

Parameter	FY23	FY22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	NIL	NA
(i) Recycled	NIL	NA
(ii) Re-used	NIL	NA
(iii) Other recovery operations	NIL	NA
Total	NIL	NA

Note: Our waste material such as steel, wood, concrete, wires & cables are sent out for recycling however at this point in time, the exact quantities are not available for financial year 2023 and hence the data is not being reported.

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	NA
(ii) Landfilling	8993 MT	NA
(iii) Other disposal operations	903 MT	NA
Total	9896 MT	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. **No**

9 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

KRL We are committed to continually improving our Waste management practices at all our upcoming project sites. Our waste management philosophy is based on three principles – Reduce, Reuse, and Recycle. Although we seek to uphold our ambition of zero waste to landfills through active minimization combined with technology investment in recycling and streamlining systems and processes, being in the construction industry the construction debris generated is in large quantities and therefore one of the options for disposal is largely landfill. With our efforts, we plan to contribute to a circular economy and convert waste to resources.

KRL, being an Construction Company, does not manufacture physical products and therefore does not use any hazardous or toxic chemicals in any of its processes. The Company has offices and facility operations, and the waste is generated from the auxiliary processes used to run these facilities.

Based on the nature of services, KRL's facilities mostly generate construction debris, inorganic, organic waste, and building materials (such as steel, MS scrap, wires, wooden scrap, tiles, cables, etc) and generate very less hazardous waste and do not use toxic chemicals. Potentially hazardous and regulated wastes such as paint cans are generated by our contractors that are engaged for painting activities, these cans are disposed through SPCB approved recyclers as per regulations by the contractors as per our contractual requirements.

The organic waste generated within our sites/labour camps are treated in an in-house organic waste composter and converted into manure. Sludge generated from STP is dried and blended with this compost. The manure is being used as fertilizer for landscaping.

The inorganic waste is segregated at source and is disposed of through authorized recyclers. Generated construction waste is disposed to landfill through BMC.

In line with the Central & State Govt. (India) Directives, KRL plans to make all its sites free from 'Single use plastics' through alternative arrangements in FY23_24. We are currently in the process of avoiding single-use food and drink containers and utensils in the cafeteria, meeting rooms, and utmost monitoring is done to minimize the generation of waste.

BRSR

KRL is committed to work on the principle of 3R's – Reduce, Reuse and Recycle in the coming financial year and maximize sustainable usage of raw materials and products to reduce generation of waste. We are also committed to ensure that the hazardous waste generated by our contractors at our sites is disposed as per the HW (management and Handling) Rules.

10	If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format: NA					
S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.		
			NA			
11	Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:					
Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link	
Rustomjee Urbania	EAEPL/ EIA/8b/01-2022/02		YES	NO		
12	Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:					
S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any		
1	NIL	NIL	NIL	NIL		

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1	a. Number of affiliations with trade and industry chambers/ associations.		
	b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.		
S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)	
1	CREDAI	National	
2	CREDAI-MCHI	State	
3	IMC	State	
2	Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.		
Name of authority	Brief of the case	Corrective action taken	
NIL	NIL	NIL	
NIL	NIL	NIL	

BRSR

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1 Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
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Company has not undertaken SIA. It is planned for the future

2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
	Project 1	Maharashtra	Mumbai	521	100%	NIL
	Project 2	Maharashtra	Mumbai	190	100%	109 lakhs
	Project 3	Maharashtra	Mumbai	399	100%	9.87 lakhs

3 Describe the mechanisms to receive and redress grievances of the community.

Company receives the community complaints in various modes and based on the nature of the complaints, the respective SPOC of the concerned department acts on the same on priority to take it to a logical solution.

4 Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY23	FY22
Directly sourced from MSMEs/ small producers	The company has 274 MSME / small producers from whom company procures the material	NA
Sourced directly from within the district and neighbouring districts	NA	NA

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1 Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Company receives the complaints through various modes and based on the nature of the complaint, the respective SPOC of the sales department or other concerned department act on the complaint on priority to take it to a logical solution

2 Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Products/Services	As a percentage to total turnover
	NA as Company is not into manufacturing of products

BRSR

3 Number of consumer complaints in respect of the following:

	FY23		Remarks	FY22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NIL	NA	NA	NA
Advertising	NIL	NIL	NIL	NA	NA	NA
Cyber-security	NIL	NIL	NIL	NA	NA	NA
Delivery of essential services	NIL	NIL	NIL	NA	NA	NA
Restrictive Trade Practices	NIL	NIL	NIL	NA	NA	NA
Unfair Trade Practices	NIL	NIL	NIL	NA	NA	NA
Other	6	6	NIL	NA	NA	NA

4 Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5 Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. **Yes, Information Security and Incidence Management Policy**

6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Nil

Sec 3 P11

Leadership Indicators

1. Awareness programs conducted for value chain partners on any of the principles during the financial year:

NIL

NIL

Total No of awareness held

Topics/ Principles covered under the training

%age of value chain programmes partners covered (by value of business done with such partners) under the awareness programmes

NIL

NIL

NIL

We look at all our value chain partners as being critical to our growth and success and believe that their sustainable development will be largely instrumental in our efforts towards sustainable growth. Keeping this in mind we plan to conduct awareness sessions in the coming financial year for some of our most critical vendors and align them to our goals and aspirations for Sustainable growth.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board?
(Yes/No)

We have a Code of Conduct and Related Party Transactions that cover conflict of interest policy

BRSR

Sec 3 - P2

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format? No

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NIL		NIL	NIL	NIL	NIL

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product	Description of the risk	Action Taken Service concern
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:
- We have initiated the process of monitoring and collecting data for various types of waste generated and disposed during construction activities at project sites that were under construction in FY2022_23. This is our first year of data collection and reporting and therefore not much was done in terms of reuse and recycling of waste. However, we plan to streamline and organize this activity in the coming years. We also plan to sensitize employees and workers for a collaborated effort to achieve success.

	Current Financial Year			Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NIL	NIL		NIL	NIL	
E-waste	NIL	Please refer Essential Indicator under P6 for Waste		NIL	NIL	
Hazardous waste	NIL	NIL	Please refer Essential Indicator under P6 for Waste	NIL	NIL	
Other waste	NA	NA		NA	NA	

BRSR

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category

Reclaimed products and their packaging materials as % of total products sold in respective category

NIL

S3 - P3

Leadership Indicators

- | | | |
|----|---|---|
| 1. | Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N). A: | Yes for Employees |
| 2. | Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners. | Contract Agreement and regular interactions with labor agencies |
| 3. | Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment. | NIL |

Total no. of affected employees/workers

No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

FY (Current Financial Year)

Employees **NIL**

Workers **NIL**

4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed

Health and safety practices **NIL**

Working Conditions **NIL**

BRSR

<p>"6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners. At KRL, we have established</p>	<p>At KRL, we have established Environmental Health and Safety policy and emphasize on the importance of maintaining a safe and healthy workplace for all employees & partners who work on our premises. Inhouse EHS team monitors all the health & safety measures implemented on ground to ensure there is no deviations from the set process. To Identify hazards/risks within the premises, Hazard identification and risk assessment is done prior to each activity, and it is reviewed periodically. To mitigate the identified hazards/risks appropriate control measures are implemented. In addition to the risk assessment, we have established incident reporting process at our facilities. The incidents are tracked, and correction & corrective actions are taken to ensure safe working place. Awareness on health and safety at work, safety during construction and emergency preparedness is given to employees periodically and trainings are conducted to partners as per the schedule to create awareness on health & safety. New work force entering the site is first inducted through class room training on health and safety at site and only then permitted to start work.</p> <p>Our Safety Manual provides details on all activities from start of the project till completion and safety measure and operational controls for each activity to avoid any untoward incident or accident. As part of our commitment to our value chain partners and in line with the IGBC requirements for Green Buildings we have ensure the Basic Facilities for Construction Workforce at all our project sites with labour camps as below:</p> <ol style="list-style-type: none"> 1. Adequate housing to meet or exceed local/labour bye-law requirement. 2. provide atleast one toilet seat/urinal for every 50 workers in any shift. 3. First-aid and emergency facilities. 4. Adequate drinking water facilities. 5. Dust suppression. 6. Personal protective equipment (by developer/contractor). 7. Adequate illumination levels in construction work areas, etc.
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Sec 3 - P4

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board: NIL
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity: NIL
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups: NIL

BRSR

Sec 3 - P5

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints: NIL
2. Details of the scope and coverage of any Human rights due-diligence conducted: NIL
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? Yes
4. Details on assessment of value chain partners: All our contractors providing labour have been assessed for all the below mentioned parameters, as it is also a part of their work order issued to them.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labor	100%
Forced Labor /Involuntary Labor	100%
Wages	100%
Others – please specify	100%

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above: NIL

Sec 3 - P6

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY	FY
	(Current Financial Year)	(Previous Financial Year)
From renewable sources	NIL	
Total electricity consumption (A)	NIL	
Total fuel consumption (B)	NIL	
Energy consumption through other sources (C)	NIL	
Total energy consumed from renewable sources (A+B+C)	Please refer Essential Indicator under P6 for Energy	
From non-renewable sources		
Total electricity consumption (D)		
Total fuel consumption (E)		
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

BRSR

2. Provide the following details related to water discharged:

Parameter	FY (Current Financial Year)	FY (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	Not quantified	NA
- With treatment – please specify level of treatment	NIL	
(ii) To Groundwater		
- No treatment	Not quantified	NA
- With treatment – please specify level of treatment	NIL	
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	
(iv) Sent to third-parties		
- No treatment	NIL	
- With treatment – please specify level of treatment	NIL	
(v) Others		
- No treatment	NA	
- With treatment – please specify level of treatment		
Total water discharged (in kilo litres)	Not quantified	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilo litres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

BRSR

Parameter	Unit	FY (Current Financial Year)	FY (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover	NIL	NIL	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	NIL	NIL	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities: NA

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
7.	Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:		NO
8.	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:		NO
9.	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:		NIL

Sec 3 - P7

Leadership Indicators

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of reviewed by Board (Annually/ Half Yearly/ Quarterly Others) - Please specify	Web Link if available
	NO	NA	NA	NA	NA

BRSR

Sec 3 - P8

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): **NA**

Details of negative social impact identified	Corrective action taken
--	-------------------------

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

All CSR initiatives taken by the Company are in three main verticals that is Education, Health care and Community development and in and around Mumbai

S. No. State Aspirational District Amount spent (In INR)

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) **No**
 (b) From which marginalized /vulnerable groups do you procure? **NA**
 (c) What percentage of total procurement (by value) does it constitute? **NA**

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: **NA**

S. No.	Intellectual Property based on Owned	Benefit Basis of traditional knowledge Acquired shared calculating (Yes/No)	benefit share (Yes/No)
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5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.: **NA**

Name of authority Brief of the Case Corrective action taken

6. Details of beneficiaries of CSR Projects: **Please refer CSR report section in the Directors report**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
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Sec 3 - P9

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available). **Website: www.rustomjee.com**

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services. **NA**

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services. **As per RERA Requirement**

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No) **YES.**

5. Provide the following information relating to data breaches: **NIL**

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of customers

BRSR

Annexure 1

Sr. No.	Name of the Holding/Subsidiary/Associate Companies/Joint Ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by the Listed Entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the listed entity? Yes/No
1.	Amaze Builders Private Limited	Subsidiary	100	NA
2.	Credence Property Developers Private Limited	Subsidiary	100	NA
3.	Crest Property Solutions Private Limited	Subsidiary	51	NA
4.	Dynasty Infrabuilders Private Limited	Subsidiary	100	Yes
5.	Enticier Realtors Private Limited	Subsidiary	100	NA
6.	Ferrum Realtors Private Limited	Subsidiary	100	NA
7.	Firestone Developers Private Limited	Subsidiary	73	NA
8.	Flagranti Realtors Private Limited	Subsidiary	100	NA
9.	Imperial Infradevelopers Private Limited	Subsidiary	100	NA
10.	Intact Builders Private Limited	Subsidiary	100	NA
11.	Key Galaxy Realtors Private Limited	Subsidiary	100	NA
12.	Key Interiors Realtors Private Limited	Subsidiary	100	NA
13.	Keybloom Realty Private Limited	Subsidiary	100	NA
14.	Keyblue Realtors Private Limited	Subsidiary	100	NA
15.	Keyheights Realtors Private Limited	Subsidiary	100	NA
16.	Keysky Realtors Private Limited	Subsidiary	100	NA
17.	Keyspace Realtors Private Limited	Subsidiary	100	NA
18.	Keyorbit Realtors Private Limited	Subsidiary	100	NA
19.	Keyvihar Realtors Private Limited	Subsidiary	100	NA
20.	Keysteps Realtors Private Limited	Subsidiary	100	NA
21.	Key Green Realtors Private Limited	Subsidiary	100	NA
22.	Keystone Infrastructure Private Limited	Subsidiary	100	Yes
23.	Kingmaker Developers Private Limited	Subsidiary	100	Yes
24.	Luceat Realtors Private Limited	Subsidiary	58	NA
25.	Mirabile Realtors Private Limited	Subsidiary	100	NA
26.	Mt. K Kapital Private Limited	Subsidiary	84	NA
27.	Navabhyudaya Nagar Development Private Limited	Subsidiary	100	NA
28.	Nouveau Developers Private Limited	Subsidiary	73	NA
29.	Riverstone Educational Academy Private Limited	Subsidiary	84	NA
30.	Rustomjee Realty Private Limited	Subsidiary	90	NA
31.	Xcellent Realty Private Limited	Subsidiary	100	NA
32.	Kapstone Constructions Private Limited	Joint Venture	51	Yes
33.	Toccatà Realtors Private Limited	Joint Venture	NA	NA
34.	Jyotirling Constructions Private Limited	Joint Venture	50	NA
35.	Krishika Developers Private Limited	Associate	36.50	NA
36.	Rebus Realtors LLP	Associate	100	NA
37.	Premium Build Tech LLP	Associate	75	NA
38.	Megacorp Constructions LLP	Associate	50	NA
39.	Kapstar Realty LLP	Associate	99	NA

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
 Report on the Audit of the Standalone Financial Statements

OPINION

1. We have audited the accompanying standalone financial statements of **Keystone Realtors Limited** (Formerly known as Keystone Realtors Private Limited) ("the Company") and its jointly controlled entities (refer Note 56 to the standalone financial statements), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive Loss), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company and its jointly controlled entities as at March 31, 2023, and total comprehensive income (comprising of profit and other comprehensive loss), changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company and its jointly controlled entities 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 standalone 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 opinion.

KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition from Contract with Customers</p> <p>(Refer Note 1A(d) and 32 to the standalone financial statements).</p> <p>In accordance with the requirements of Ind AS 115 'Revenue from contract with customers', revenue from sale of residential units are recognised at a point in time or over time based on the contract entered with the customers.</p> <p>Significant judgement is required in identifying the performance obligations and determining when 'control' of the residential units is transferred to the customer. Further, the Company assesses various conditions included in the contract with customer to identify whether the Company has unconditional right to payment for performance to date or not. Based on this revenue is recognised at point in time or over time.</p>	<p>Our audit procedures in relation to management's assessment of revenue recognition includes following:</p> <ul style="list-style-type: none"> • Read the Company's revenue recognition accounting policies and assessed compliance with Ind AS 115 'Revenue from contract with customers'. • Understood and evaluated the design and implementation and tested the operating effectiveness of the Company's internal financial controls over revenue recognition. • Obtained and read the customer contracts on a sample basis and evaluated the management assessment with respect to satisfaction of performance obligations at a point in time or over time and that revenue is recognised in accordance with the accounting policy.

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
Report on the Audit of the Standalone Financial Statements

Key audit matter	How our audit addressed the key audit matter
<p>Considering the above-mentioned factors, revenue recognition has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Tested sales transaction during the year on a sample basis, by examining the underlying customer contracts and final demand letter evidencing the transfer of control of the residential unit to the customer along with occupation certificate based on which revenue is recognised. • Assessed the appropriateness and adequacy of revenue-related disclosures in accordance with applicable accounting standards. <p>Based on the above procedures performed, we considered the management's assessment of recognition of revenue to be reasonable.</p>
<p>Assessment of net realisable value (NRV) of inventories</p>	
<p>(Refer Note 1A(i) and 11 to the standalone financial statements).</p> <p>The Company's inventory comprises completed real estate units, construction work in progress of ongoing projects and land, and are stated at the lower of cost and NRV. As at March 31, 2023 the carrying value of inventories is ₹ 150,159 Lakhs (refer note 11 to the standalone financial statements).</p> <p>NRV determination involves estimates based on prevailing market conditions, current prices, the estimated future selling price, cost to complete projects and selling costs.</p> <p>Considering the significance of the carrying value of inventories in the standalone financial statements and the involvement of significant estimation and judgement in assessment of NRV, the same has been considered as a key audit matter.</p>	<p>Our audit procedures in relation to management's assessment of valuation of inventories at lower of cost and NRV includes following:</p> <ul style="list-style-type: none"> • Read and evaluated the accounting policies with respect to inventories. • Understood and evaluated the design and implementation and tested the operating effectiveness of the Company's internal financial controls over valuation of inventories. • Tested on a sample basis that inventories are held at the lower of cost and NRV, by comparing cost of inventory and estimated cost to complete the project with corresponding selling price or the estimated future selling price by reference to recent market prices in the same projects or comparable properties, net of selling cost. • Assessed the appropriateness and adequacy of the inventory related disclosures in accordance with applicable accounting standards and applicable financial reporting framework in the standalone financial statements. <p>Based on the above procedures performed, we considered the management's assessment of valuation of inventories at lower of cost and NRV to be reasonable.</p>

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
 Report on the Audit of the Standalone Financial Statements

Key audit matter	How our audit addressed the key audit matter
<p>Assessing impairment of Investments in and loans given to subsidiaries, joint ventures, associates and other related parties</p> <p>(Refer Note 7 and 16 to the standalone financial statements).</p> <p>As at March 31, 2023, the carrying values of Company's investment in subsidiaries, joint ventures and associates is amounting to ₹ 57,158 Lakhs. Further, the Company has granted loans to its subsidiaries, joint ventures, associates and other related parties amounting to ₹ 30,261 Lakhs as at March 31, 2023 (Refer note 16 to the standalone financial statements).</p> <p>Management reviews regularly whether there are any indicators of impairment of the investments by reference to the requirements under Ind AS 36 "Impairment of Assets". For cases where impairment indicators exist, management estimates the recoverable amounts. An impairment loss is recognised if the recoverable amount is lower than the carrying value. The recoverable amount is determined based on the higher of value in use and fair value less costs to sell.</p> <p>In respect of loans, the management performs the credit risk assessment for each loan by assessing whether the borrower has a financial capability to meet its cash flow obligations.</p> <p>Significant judgements are required to determine the key assumptions used in determination of recoverable amount or forecast cash flow of borrowers which includes estimation of expected selling price, cost to complete the project and discount rate.</p> <p>The assessment of the recoverable amounts requires the use of significant judgements and estimates, and thus same has been considered as a key audit matter.</p>	<p>Our audit procedures in relation to management's impairment assessment of investments and loans in subsidiaries, joint ventures, associates and other related parties includes following:</p> <ul style="list-style-type: none"> • Read and evaluated the accounting policies with respect to impairment. • Understood and evaluated the design and implementation and testing operating effectiveness of controls over the Company's process of impairment assessment. • Tested samples of investment made and loans granted by the Company and assessed the financial condition of entities in whom the investments were made or loans were granted by obtaining the most recent audited financial statements of such entities. • Performed inquiries with management on the project status and tested future business plan of entities in whom investments were made or to whom loans were granted to evaluate their recoverability. • Assessed the appropriateness of the Company's valuation methodology and model used to determine the recoverable amount. • Tested reasonableness of assumptions such as expected selling price, cost to complete the project and discount rate based on current economic and market conditions used for determining the recoverable amount/financial capability and performed a sensitivity analysis over key assumptions used in determining the recoverable amount. • Assessed the appropriateness and adequacy of the disclosures made by the management in respect of such investments and loans in subsidiaries, joint ventures, associates and other related parties. <p>Based on the above procedures performed, we considered the management's impairment assessment of investments and loans in subsidiaries, joint ventures, associates and other related parties to be reasonable.</p>

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
Report on the Audit of the Standalone Financial Statements

OTHER INFORMATION

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

6. 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company and its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and its jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance

of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the standalone 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 STANDALONE FINANCIAL STATEMENTS

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the standalone 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.

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) Report on the Audit of the Standalone Financial Statements

- 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 standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
 11. 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.
 12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the

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

OTHER MATTER

13. We did not audit the financial statements of 3 jointly controlled entities included in the standalone financial statements of the Company, which constitute total assets of ₹ 13,140 Lakhs and net assets of ₹ 7,865 Lakhs as at March 31, 2023, total revenue of ₹ 873 Lakhs, total net profit after tax of ₹ 51 Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 51 Lakhs and cash outflows (net) amounting to ₹ 18 Lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on the standalone financial statements (including other information) in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities, is based solely on the reports of such other auditors.

Our opinion is not modified in respect of above matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

14. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) Report on the Audit of the Standalone Financial Statements

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive loss), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 50 to the standalone financial statements.
 - ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any derivative contracts as at March 31, 2023.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person or entity, 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 (Refer Note 61 (vii) to the standalone financial statements);
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, 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 (Refer Note 61(vii) to the standalone financial statements); and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) Report on the Audit of the Standalone Financial Statements

has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 01, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
16. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNB7215

Place: Mumbai
Date: May 22, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements for the year ended March 31, 2023

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls with reference to standalone financial statements of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date. Reporting under clause (i) of sub section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to 3 jointly controlled entities namely Fortune Partners, Rustomjee Evershine Joint Venture and Lok Fortune Joint Venture.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. 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 authorisations of

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(f) of the Independent Auditor's Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements for the year ended March 31, 2023

management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

to the risk that the internal financial controls 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.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

7. 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

OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNB7215

Place: Mumbai
Date: May 22, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements as of and for the year ended March 31, 2023

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3, 4 and 5 to the standalone financial statements, are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, from banks on the basis of security of current assets. Based on representation given by the management, there are no requirements of filling quarterly returns or statements with banks or financial institutions as per the terms of relevant agreements/sanction letters and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise (Also refer Note 61(ii) to the standalone financial statements).

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements as of and for the year ended March 31, 2023

- iii. (a) The Company has made investments in 8 companies and 1 Alternative Investment Fund, granted unsecured loans to 26 companies and 1 Limited Liability Partnerships, and stood guarantee to 2 companies. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and guarantees to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below:

	(₹ in Lakhs)	
	Loans	Guarantees
Aggregate amount granted/provided during the year		
Subsidiaries	27,586	14,800
Associates	100	-
Others	1,743	-
Balance outstanding as at Balance Sheet date in respect of the above loans		
Subsidiaries	16,866	14,800
Associates	100	-
Others	1,743	-

(Also refer Note 48 to the standalone financial statements)

- (b) In respect of the aforesaid investments, guarantees, loans, the terms and conditions under which such investments were made/guarantees provided/loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the loans aggregating to ₹ 10,918 Lakhs the schedule of repayment of principal and payment of interest has been stipulated and in respect of the loans aggregating to ₹ 36,948 Lakhs the schedule of repayment of principal has been stipulated and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable. (Also refer Note 48(d) to the standalone financial statements)
- (d) In respect of the loans, there is no amount which is overdue for more than ninety days.
- (e) Following loans were granted to same parties, which has fallen due during the year and were renewed/extended. Further, no fresh loans were granted to settle the overdue loans/advances in nature of loan.

Name of the parties	Aggregate amount dues renewed (₹ in Lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Imperial Infradevelopers Private Limited	4,052	13.77%
Keysky Realtors Private Limited	2,865	9.74%
Luceat Realtors Private Limited	2,042	6.94%
Riverstone Education Academy Private Limited	501	1.70%
Xcellent Realty Private Limited	900	3.06%

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements as of and for the year ended March 31, 2023

Name of the parties	Aggregate amount dues renewed (₹ in Lakhs)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Premium Buildtech LLP	660	2.24%
Enticier Realtors Private Limited	142	0.48%
Firestone Developers Private Limited	460	1.56%
Navabhyudaya Nagar Development Private Limited	379	1.29%
Megacorp Constructions LLP	308	1.05%
Nouveau Developers Private Limited	239	0.81%
Sweety Property Developers Private Limited	256	0.87%
Krishika Developers Private Limited	123	0.42%
Kapstar Realty LLP	200	0.68%
Key Green Realtors Private Limited	52	0.18%
Rebus Realtors LLP	73	0.25%
Intact Builders Private Limited	10	0.03%
Flagranti Realtors Private Limited	6	0.02%
Keysteps Realtors Private Limited	3	0.01%
Eminis Realtors LLP	1	0.01%

- (f) The loans granted during the year to related parties had stipulated the scheduled repayment of principal and payment of interest and the same are not repayable on demand. (Also refer note 48(d) to the standalone financial statements). No loans were granted during the year to promoters.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. As the Company is engaged in providing infrastructure facilities as specified in Schedule VI of the Act, the provisions of Section 186 except sub-section (1) of the Act are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements as of and for the year ended March 31, 2023

dues in respect of goods and service tax, provident fund and income tax, though there has been slight delay in a few cases, and is regular in depositing the undisputed statutory dues, including employees' state insurance, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 50 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	1,933 #	FY 2008-09 and 2011-12	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	93	FY 2017-18	Commissioner of Income Tax (Appeals)
Goods and Services Tax Act, 2017	Goods and Services Tax	45	FY 2017-18	Joint Commissioner (Appeals-II), Mumbai

#Net of amounts paid under protest of ₹ 1,521 Lakhs.

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 61(xii) to the standalone financial statements)
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) In our opinion, and according to the information and explanations given to us, the monies raised by way of initial public offer during the year have been applied for the purposes for which they were obtained. The amount of unutilised

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements as of and for the year ended March 31, 2023

- proceeds as at March 31, 2023 amounted to ₹15,831 Lakhs. (Refer Note 60 to the standalone financial statements)
- (b) The Company has made a private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of the related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor 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 him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Company does not have any CICs, which are part of the Company. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the standalone financial statements as of and for the year ended March 31, 2023

- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 49 to the standalone financial statements), ageing and expected dates of realisation 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNB7215

Place: Mumbai
Date: May 22, 2023

Standalone Balance Sheet

As at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	719	279
Right-of-use assets	4	584	435
Investment properties	5	922	963
Goodwill	6	1,580	1,580
Other intangible assets	6	4	17
Financial assets			
i. Investments	7	58,366	54,672
ii. Other financial assets	8	1,208	1,734
Current tax assets (net)	9	5,274	5,276
Deferred tax assets (net)	40	442	995
Other non-current assets	10	250	265
Total non-current assets		69,349	66,216
Current assets			
Inventories	11	150,959	122,734
Financial assets			
i. Investments	12	-	644
ii. Trade receivables	13	4,004	7,397
iii. Cash and cash equivalents	14	31,703	3,736
iv. Bank balances other than (iii) above	15	2,928	7,414
v. Loans	16	32,004	18,500
vi. Other financial assets	17	16,875	10,072
Other current assets	18	14,256	12,628
Total current assets		2,52,729	1,83,125
Total assets		3,22,078	2,49,341
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19(a)	11,388	10,003
Other equity			
Reserves and surplus	19(b)	1,40,127	60,819
Total equity		1,51,515	70,822
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	20	73	5,919
ii. Lease Liabilities	21	296	249
iii. Trade payables	22	-	-
a) Total outstanding dues of micro and small enterprises		-	-
b) Total outstanding dues of creditors other than (iii) (a) above		669	304
iv. Other financial liabilities	23	8,993	11,117
Provisions	24	146	240
Total non-current liabilities		10,177	17,829
Current liabilities			
Financial liabilities			
i. Borrowings	25	45,106	74,945
ii. Lease Liabilities	26	320	210
iii. Trade payables	27	-	-
a) Total outstanding dues of micro and small enterprises		60	69
b) Total outstanding dues of creditors other than (iii) (a) above		28,086	23,930
iv. Other financial liabilities	28	2,667	2,176
Provisions	29	881	1,932
Current tax liabilities (net)	30	425	1,687
Other current liabilities	31	82,841	55,741
Total current liabilities		1,60,386	1,60,690
Total liabilities		1,70,563	1,78,519
Total equity & liabilities		3,22,078	2,49,341

The above standalone balance sheet should be read in conjunction with accompanying notes.

This is the standalone balance sheet referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Mumbai
Date: May 22, 2023

Boman Irani
Managing Director
DIN: 00057453

Sajal Gupta
Chief Financial Officer

Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors of
Keystone Realtors Limited
(formerly known as **Keystone Realtors Private Limited**)
CIN: L45200MH1995PLC094208

Chandresh Mehta
Director
DIN: 00057575

Bimal Nanda
Company Secretary
Membership No.: 11578

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	32	32,806	85,136
Other income	33	8,283	7,471
Total income		41,089	92,607
Expenses			
Construction costs	34	46,212	44,619
Changes in inventories of completed saleable units and construction work- in-progress	35	(28,060)	21,876
Employee benefit expense	36	2,193	2,131
Depreciation and amortisation expense	37	431	338
Finance costs	38	948	2,465
Other expenses	39	4,768	5,570
Total expenses		26,492	76,999
Profit before tax		14,597	15,608
Income tax expense	40		
- Current tax		3,114	3,295
- Deferred tax		560	307
Total tax expense		3,674	3,602
Profit for the year		10,923	12,006
Other comprehensive (loss)/income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	44	(31)	20
Income tax relating to above	40	8	(5)
Other comprehensive (loss)/income for the year, net of tax		(23)	15
Total comprehensive income for the year		10,900	12,021
Earnings per equity share (basic and diluted)			
Basic earnings per share	47	10.22	12.00
Diluted earnings per share	47	10.22	12.00

The above standalone statement of profit and loss should be read in conjunction with accompanying notes.

This is the standalone statement of profit and loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
Keystone Realtors Limited
(formerly known as **Keystone Realtors Private Limited**)
CIN: L45200MH1995PLC094208

Priyanshu Gundana
Partner
Membership No.: 109553

Boman Irani
Managing Director
DIN: 00057453

Chandresh Mehta
Director
DIN: 00057575

Mumbai
Date: May 22, 2023

Sajal Gupta
Chief Financial Officer

Bimal Nanda
Company Secretary
Membership No.: 11578

Mumbai
Date: May 22, 2023

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flows from operating activities		
Profit before tax	14,597	15,608
Adjustments for:		
Depreciation and amortisation	431	338
Finance costs	5,804	7,277
Impairment loss on financial assets	342	26
Reversal of foreseeable loss	(1,076)	(1,445)
Interest income	(5,609)	(5,394)
Guarantee income	(382)	(134)
Guarantee expenses	-	136
Rental income	(103)	(85)
Net (Gain)/Loss in financial assets measured at fair value through profit and loss	(856)	416
Dividend income	*	(134)
Employee stock option expense	331	-
Operating profit before working capital changes	13,479	16,609
Changes in working capital:		
(Increase)/decrease in inventories	(28,225)	21,882
Decrease/(increase) in trade receivables	3,399	(5,335)
(Increase)/decrease in other financial assets	(3,166)	2,231
Increase in other current assets	(1,613)	(4,021)
Increase in trade payables	4,609	5,339
(Decrease)/increase in other financial liabilities	(1,716)	271
(Decrease)/increase in provisions	(101)	38
Increase/(decrease) in Other liabilities	27,291	(33,801)
Cash generated from operations	13,957	3,213
Taxes paid (net of refunds)	(4,424)	(1,759)
Net cash generated from operating activities	9,533	1,454
B. Cash flows from investing activities		
Purchase of Property, Plant and equipment	(553)	(18)
Loan given during the year	(29,430)	(14,871)
Loan repaid during the year	15,926	11,256
Purchase of Investments	(6,448)	(5,647)
Proceeds from sale/redemption of Investments	4,957	*
Bank deposits placed	(1,915)	(18,810)
Bank deposits matured	6,465	12,450
Net decrease in other current bank balances (other than bank deposits)	506	2,984
Interest received	1,339	1,750
Rental income received	103	85
Dividend received on non-current investments	*	*
Net cash flow used in investing activities	(9,050)	(10,821)
C. Cash flows from financing activities		
Proceeds from borrowings	45,754	56,324
Repayment of borrowings	(81,397)	(48,668)
Repayment of Lease Liabilities including interest	(308)	(240)
Equity shares issued (net of share issue expenses)	69,162	-
Finance costs paid	(5,727)	(7,239)
Net cash flow from financing activities	27,484	177
Net increase/(decrease) in cash and cash equivalents (A+B+C)	27,967	(9,190)
Cash and cash equivalents at the beginning of the year	3,736	12,926
Cash and cash equivalents at the end of the year	31,703	3,736

Standalone Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Non-cash financing and investing activities

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Debentures converted from 15% Optionally convertible debentures into fully paid up equity shares of ₹ 10 each (refer note 20)	9	-
Right-of-use assets (refer note 4)	413	653
Corporate Guarantee To Wholly Owned Subsidiary, Joint Ventures And Entities In Which Key Management Personnel Exercise Significant Influence (Refer Note 7) And (Refer Note 48)	192	436
Interest waiver to wholly owned Subsidiary Keystone Infrastructure Private Limited (refer note 7)	377	1,257
Net gain on redemption of debentures carried at fair value through profit and loss account	856	-

Reconciliation of cash and cash equivalents as per standalone statement of cash flows

Cash and cash equivalents comprise of:

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents (refer note 14)		
Cash on hand	38	40
Balances with banks in current accounts	6,625	3,662
Deposit with maturity of less than 3 months	25,040	34
Cash and cash equivalents at the end of the year	31,703	3,736

The above standalone statement of cash flows should be read in conjunction with accompanying notes.

This is the standalone statement of cash flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors of
Keystone Realtors Limited
(formerly known as **Keystone Realtors Private Limited**)
CIN: L45200MH1995PLC094208

Boman Irani
Managing Director
DIN: 00057453

Sajal Gupta
Chief Financial Officer

Mumbai
Date: May 22, 2023

Chandresh Mehta
Director
DIN: 00057575

Bimal Nanda
Company Secretary
Membership No.: 11578

Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount
As at April 01, 2021	10,003
Changes in equity share capital	-
As at March 31, 2022	10,003
Changes in equity share capital	1,385
As at March 31, 2023	11,388

B. OTHER EQUITY

Particulars	Reserves and surplus						Total other equity
	Securities premium reserve	Retained earnings	Capital reserve	General reserves	Debenture redemption reserve	Employee stock option outstanding	
As at April 01, 2021	12,738	11,309	1,110	23,639	2	-	48,798
Profit for the year	-	12,006	-	-	-	-	12,006
Other comprehensive income	-	15	-	-	-	-	15
Total	-	12,021	-	-	-	-	12,021
As at March 31, 2022	12,738	23,330	1,110	23,639	2	-	60,819
Profit for the year	-	10,923	-	-	-	-	10,923
Other comprehensive income	-	(23)	-	-	-	-	(23)
Amount received on issue of shares (refer note 59)	71,624	-	-	-	-	-	71,624
Amount utilised for share issue expenses (refer note 59)	(3,838)	-	-	-	-	-	(3,838)
Employee stock option expense (refer note 44)	-	-	-	-	-	622	622
Transferred from Debenture redemption reserve	-	-	-	2	(2)	-	-
Total	67,786	10,900	-	2	(2)	622	79,308
As at March 31, 2023	80,524	34,230	1,110	23,641	-	622	1,40,127

The above standalone statement of changes in equity should be read in conjunction with accompanying notes.

This is the standalone statement of changes in equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
Keystone Realtors Limited
(formerly known as **Keystone Realtors Private Limited**)
CIN: L45200MH1995PLC094208

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Mumbai
Date: May 22, 2023

Sajal Gupta
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Bimal Nanda
Company Secretary
Membership No.: 11578

Mumbai
Date: May 22, 2023

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

BACKGROUND

Keystone Realtors Limited ('the Company') is a limited Company. It is incorporated and domiciled in India and has its registered office at 702, Natraj, M V Road Junction, Andheri East, Mumbai 400 069.

The Company is incorporated since November 6, 1995 and is engaged primarily in the business of real estate constructions, development and other related activities in India.

These financial statements were authorized to be issued by the Board of Directors on May 22, 2023

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on April 28, 2022 and consequently the name of the Company has changed to Keystone Realtors Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on May 06, 2022.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented.

(a) Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and financial liabilities are measured at fair value;
- defined benefit plans - plan assets measured at fair value;
- share based payment measured at fair value;

(iii) Current - non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and

(All amounts in ₹ Lakhs, unless otherwise stated)

other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 4 years for the purpose of current - non-current classification of assets and liabilities. Operating cycle for all completed projects is based on 12 months period.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Board of Directors of the Company has been identified as being the CODM as they assesses the financial performance and position of the Company, and makes strategic decisions.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is the functional and presentation currency of the Company.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

(d) Revenue recognition

Revenue from contracts with customers is recognised 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. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Company presents revenue from contracts with customers net of indirect taxes in its statement of Profit and Loss. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangement.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Income from Property development

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The Company satisfies a performance obligation and recognise the revenue over the time if the Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date basis the agreement entered with customers, otherwise revenue is recognized point in time. The revenue from real estate development of residential unit is recognised at the point in time, when the control of the asset is transferred to the customer and the performance obligation is satisfied i.e on transfer of legal title of the residential unit, receipt of occupation certificate and final demand letter issued to the customers which generally occurs on completion of project.

The Company becomes entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when the Company has the right to consideration that is unconditional. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company recognizes incremental costs for obtaining a contract as an asset and such costs are charged to the Statement of Profit and Loss when revenue is recognised for the said contract.

(e) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the

end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts as per financial statements as at the reporting date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, joint ventures and associates where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Leases

As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a

Straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct cost incurred obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

(i) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(g) Cash and cash equivalents

For the purpose of presentation in the standalone statement of cash flows, cash and cash equivalents includes cash on hand, deposits held on call with financial institutions, other short-term highly liquid investments with original maturities of less than three months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdraft. Bank overdrafts are shown within borrowings in current liabilities in the standalone balance sheet.

(h) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Inventories

Inventories are valued as under:

(i) Inventory of completed saleable units

Inventory of completed saleable units and stock-in-trade of units is valued at lower of cost or net realisable value.

(ii) Construction work-in-progress

The construction work-in-progress is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(iii) Construction materials

The construction materials are valued at lower of cost or net realisable value. Cost of construction material comprises cost of purchases on moving weighted average basis. Costs of inventory includes rates and taxes and other direct expenditure are determined after deducting rebates and discounts.

(j) Financial instruments

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

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets:

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Initial recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Companies commits to purchase or sale the financial asset. Financial assets are recognised initially at fair value plus (excluding trade receivables which do not contain a significant financing component), in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in profit or loss.

Debt instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/(expenses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets are recognised in other income.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Standalone statement of profit and loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 42 details how the Company determines whether there has been a significant increase in credit risk.

Derecognition of financial assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income

Interest income from financial assets at amortised cost is calculated using the effective interest rate method and recognised in the Standalone statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance)

Dividend income

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly a recovery part of the cost of the investment.

Other income

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/ origination of the financial liability.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Standalone statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Standalone statement of profit and loss. Any gain or loss on derecognition is also recognised in the Standalone statement of profit and loss.

Derecognition

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

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Standalone balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(k) Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost comprises of the purchase price including import duties and non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

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 and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method (except for office improvements which are being depreciated on straight line method), to allocate their cost, net of residual values, over the estimated useful lives of the assets. The estimated useful lives is in accordance with the Schedule II to the Companies Act, 2013, except in case of plant and machinery which is based on technical evaluation done by the management's expert, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The management estimates the useful life for the property, plant and equipment as follows:

Asset	Useful Life
Plant and machinery	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	8 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

(l) Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, are classified as investment properties. Investment properties are measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years (other than RCC structure 30 years).

(m) Goodwill

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Company of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Company of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

(n) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a written down value basis over their estimated useful lives.

The management estimates the useful life for the intangible asset is as follows:

Asset	Useful Life
Computer software	5 years

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period or operating cycle, as applicable. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/other expenses.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial

liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 48 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the Standalone financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time (except for the contract on which revenue is recognised over the period of time) that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Capitalisation of borrowing costs is suspended and charged to the Standalone statement of profit and loss during extended periods when active development activity on the qualifying asset is interrupted.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(r) Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current

Notes to the Standalone Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(s) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes.

- defined benefit plan i.e. gratuity
- defined contribution plans such as provident fund

Gratuity obligations

The liability or asset recognised in the Standalone balance sheet in respect of defined benefit gratuity plan is the

present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the standalone statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the standalone statement of changes in equity and in the standalone balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund, ESIC, etc. contributions to publicly administered provident funds and other funds as per local regulations. The Company has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are incurred.

(iv) Employee options

The fair value of options granted under the Rustomjee Employee Stock Option Plan 2022 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price).
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

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The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. For Group transactions involve repayment arrangements that require one group entity to pay another group entity for the provision of the share-based payments to the suppliers of goods or services. In such cases, the entity that receives the goods or services shall account as a cash-settled share-based payment transaction. Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.

(t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(u) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of respective class of equity shares of the Company
- By the weighted average number of equity shares (respective class wise) outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Lakhs, unless otherwise stated. Amount below rounding off norms adopted by the Company has been represented by *.

Note 1A - Changes in accounting policies and disclosures

New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company's accounting policy already complies with the mandatory treatment.

Note 2 - Critical estimates and judgements

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

• Revenue Recognition (Refer Note 1(d) above)

Revenue from sale of real estate inventory is recognised at a point in time or over the period based on the contract entered with the customers.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

• **Evaluation of net realisable value of inventories (Refer Note 1(i) above)**

Inventories comprising of finished goods and construction work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the Financial Statements for the period in which such changes are determined.

• **Impairment losses on Investments and Impairment of financial assets (Refer Note 1(j) above)**

In assessing impairment, management estimates the recoverable amounts of Investments based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate. For financial assets, as at each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Office equipments	Plant and machinery	Computers	Furniture and fixtures	Vehicles	Leashold Improvements	Total	Capital work in-progress
Year ended March 31, 2022									
Gross carrying amount									
Opening gross carrying amount	125	5	350	82	83	77	-	722	39
Additions	-	-	49	4	4	-	-	57	-
Disposals	-	-	-	-	-	-	-	-	(39)
Closing gross carrying amount	125	5	399	86	87	77	-	779	-
Accumulated depreciation									
Opening accumulated depreciation	-	4	258	69	58	46	-	435	-
Depreciation charge during the year	-	-	48	3	6	8	-	65	-
Disposals/Transfer	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	4	306	72	64	54	-	500	-
Net carrying amount	125	1	93	14	23	23	-	279	-
Year ended March 31, 2023									
Gross carrying amount									
Opening gross carrying amount	125	5	399	86	87	77	-	779	-
Additions	-	-	51	111	1	119	271	553	-
Disposals/Transfer	-	-	-	-	-	-	-	-	-
Closing gross carrying amount	125	5	450	197	88	196	271	1,332	-
Accumulated depreciation									
Opening accumulated depreciation	-	4	306	72	64	54	-	500	-
Depreciation charge during the year	-	-	38	40	6	11	18	113	-
Disposals	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	-	4	344	112	70	65	18	613	-
Net carrying amount	125	1	106	85	18	131	253	719	-

(All amounts in ₹ Lakhs, unless otherwise stated)

Notes:

1) Refer note 20 and 25 for information on property, plant and equipment offered as security against borrowings taken by the Company and refer note 52 for its carrying amount.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 4 - RIGHT-OF-USE ASSETS

The Company has taken various office premises under lease arrangements.

i) The details of the right-of-use assets held by the Company is as follows:

Particulars	Building
Balance as at April 01, 2021	-
Additions during the year	653
Depreciation charge during the year	(218)
Balance as at March 31, 2022	435
Balance as at April 01, 2022	435
Additions during the year	413
Depreciation charge during the year	(264)
Balance as at March 31, 2023	584

ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

Particulars	Amount
Balance as at April 01, 2021	
Additions	636
Deletions	-
Accretion of interest	63
Payment of interest	(63)
Payment of principle	(177)
Balance as at March 31, 2022	459
Current	210
Non-current	249

Particulars	Amount
Balance as at April 01, 2022	459
Additions	399
Deletions	-
Accretion of interest	66
Payment of interest	(66)
Payment of principle	(242)
Balance as at March 31, 2023	616
Current	320
Non-current	296

iii) Amount recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on lease liabilities	66	63
Depreciation expenses on right-of-use assets	264	218
Expenses relating to short-term leases	47	47

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

iv) Amount recognised in statement of cash flows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total cash outflow for leases (Including short term lease)	355	287
Total	355	287

NOTE 5 - INVESTMENT PROPERTIES

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying amount		
Opening gross carrying amount	1,208	1,208
Closing gross carrying amount	1,208	1,208
Accumulated depreciation		
Opening accumulated depreciation	245	204
Depreciation charge during the year	41	41
Closing accumulated depreciation	286	245
Net carrying amount	922	963

(i) Amounts recognised in the standalone statement of profit and loss for investment properties

Particulars	As at March 31, 2023	As at March 31, 2022
Rental income	103	85
Depreciation	(41)	(41)

The Company has given buildings on operating leases. These lease arrangements range for a period between 36 months and 72 months and are cancellable leases.

(ii) Fair value

Particulars	As at March 31, 2023	As at March 31, 2022
Investment properties	2,539	2,450

Estimation of fair value

The Company carries out independent valuation for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- discounted cash flow projections based on reliable estimates of future cash flows.
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by an independent registered valuer. The main inputs used are discounted cash flow projections based on reliable estimates of future cash flows. All resulting fair value estimates for investment properties are included in level 3.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 6 - INTANGIBLE ASSETS

Particulars	Computer software	Goodwill	Total
Year ended March 31, 2022			
Gross carrying amount			
Opening gross carrying amount	230	1,580	1,810
Additions	-	-	-
Closing gross carrying amount	230	1,580	1,810
Accumulated amortisation			
Opening accumulated amortisation	199	-	199
Amortisation charge during the year	14	-	14
Closing accumulated amortisation	213	-	213
Net carrying amount	17	1,580	1,597
Year ended March 31, 2023			
Gross carrying amount			
Opening gross carrying amount	230	1,580	1,810
Additions	-	-	-
Closing gross carrying amount	230	1,580	1,810
Accumulated amortisation			
Opening accumulated amortisation	213	-	213
Amortisation charge during the year	13	-	13
Closing accumulated amortisation	226	-	226
Net carrying amount	4	1,580	1,584

Impairment testing of goodwill

In accordance with Ind-AS 36, goodwill is reviewed, at least annually, for impairment. The recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Company's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Company for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of certain assumptions. The calculations are based on cash flow projections approved by management as part of the financial budgeting process. The goodwill is allocated to the single CGU in which the Company operates, i.e. real estate constructions, development and other related activities.

The key assumptions used in the estimation of the recoverable amount of CGU's are set out below:

Particulars	March 31, 2023	March 31, 2022
Pre-tax discount rate	16.05%	22.54%

These projected cash flows are discounted to the present value using a Cost of Equity (discount rate). The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions.

Notes to the Standalone Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

The Company uses specific revenue growth assumptions for each reporting unit based on history and economic conditions.

As a result of goodwill impairment test for the year/periods mentioned above, no goodwill impairment was identified as the recoverable value of the CGUs to whom goodwill was allocated exceeded their carrying amounts at all the periods reported above.

Impact of possible changes in key assumptions

The Management believes that no reasonably possible change in any of the above key assumptions would cause the recoverable amount to fall below the carrying value of any of the CGU having allocated goodwill.

NOTE 7 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
a) In Subsidiary companies		
Investment in Equity Instruments (unquoted, at cost)		
32,653,000 [March 31, 2022: Nil] equity shares of ₹ 10 each fully paid-up held in Keystone Infrastructure Private Limited*	7,007	-
Nil [March 31, 2022: 16,000] Series A equity shares of ₹ 10 each fully paid-up held in Keystone Infrastructure Private Limited*	-	2
Nil [March 31, 2022: 10,637,000] Series B equity shares of ₹ 10 each fully paid-up held in Keystone Infrastructure Private Limited*	-	1,569
Deemed investment in Keystone Infrastructure Private Limited (refer note 54)	1,634	1,257
	8,641	2,828
1,062,840 [March 31, 2022: 1,062,840] Class B equity shares of ₹ 10 each fully paid-up held in Rustomjee Realty Private Limited	121	121
2,000 [March 31, 2022: 2,000] equity shares of ₹ 100 each fully paid-up held in Credence Property Developers Private Limited	669	669
14,600 [March 31, 2022: 14,600] equity shares of ₹ 10 each fully paid-up held in Nouveau Developers Private Limited	1	1
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Xcellent Realty Private Limited	1	1
10,220 [March 31, 2022: 10,220] equity shares of ₹ 10 each fully paid-up held in Firestone Developers Private Limited	1	1
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Imperial Infradevelopers Private Limited	1	1
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Intact Builders Private Limited	1	1
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Dynasty Infrabuilders Private Limited	103	103
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Amaze Builders Private Limited	1	1
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Kingmaker Developers Private Limited	1	1

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 7 - NON-CURRENT INVESTMENTS (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Navabhyudaya Nagar Development Private Limited	1	1
255,050 [March 31, 2022: 255,050] equity shares of ₹ 10 each fully paid-up held in Crest Property Solutions Private Limited.	26	26
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Enticer Realtors Private Limited	1	1
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Flagranti Realtors Private Limited	1	1
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Luceat Realtors Private Limited	42	42
1,000 [March 31, 2022: 1,000] equity shares of ₹ 10 each fully paid-up held in Ferrum Realtors Private Limited	*	*
10,000 [March 31, 2022: 10,000] equity shares of ₹ 10 each fully paid-up held in Keybloom Realtors Private Limited (formerly known as Bloom Farmtech Private Limited)	1	1
1,000 [March 31, 2022: 1,000] equity shares of ₹ 10 each fully paid-up held in Keysky Realtors Private Limited	*	*
1,000 [March 31, 2022: 1,000] equity shares of ₹ 10 each fully paid-up held in Keyblue Realtors Private Limited.	*	*
1,000 [March 31, 2022: 1,000] equity shares of ₹ 10 each fully paid-up held in Keyheights Realtors Private Limited	*	*
1,000 [March 31, 2022: 1,000] equity shares of ₹ 10 each fully paid-up held in Key Galaxy Realtors Private Limited	*	*
1,000 [March 31, 2022: 1,000] equity shares of ₹ 10 each fully paid-up held in Keyspace Realtors Private Limited	*	*
1,000 [March 31, 2022: 1,000] equity shares of ₹ 10 each fully paid-up held in Key Interiors Realtors Private Limited	*	*
10,000 [March 31, 2022: Nil] equity shares of ₹ 10 each fully paid-up held in Riverstone Educational Academy Private Limited	1	-
1,000 [March 31, 2022: Nil] equity shares of ₹ 10 each fully paid-up held in Keyorbit Realtors Private Limited	*	-
1,000 [March 31, 2022: Nil] equity shares of ₹ 10 each fully paid-up held in Keyvihar Realtors Private Limited	*	-
1,000 [March 31, 2022: Nil] equity shares of ₹ 10 each fully paid-up held in Key Green Realtors Private Limited	*	-
1,000 [March 31, 2022: Nil] equity shares of ₹ 10 each fully paid-up held in Key Steps Realtors Private Limited	*	-
10,000 [March 31, 2022: Nil] equity shares of ₹ 10 each fully paid-up held in Mirabile Realtors Private Limited	1	-
Investment in Premium Build Tech LLP	1	1
Investment in Rebus Realtors LLP	*	*
Investment in Kapstar Realty LLP	1	1

Notes to the Standalone Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in preference shares (unquoted, at cost)		
2,620,502 [March 31, 2022: Nil] 0.0001% Non-cumulative preference shares of ₹ 10 each fully paid-up held in Enticier Realtors Private Limited.	134	-
Investment in Non-Convertible Debentures (unquoted, at amortised cost)		
5,000,000 [March 31, 2022: 5,000,000] 12% Optionally convertible Debentures (OCD) of ₹ 100 each fully paid- up held in Imperial Infradevelopers Private Limited	5,000	5,000
Investment in Non-Convertible Debentures (unquoted, at Fair value through profit and loss)		
Nil [March 31, 2022: 42,855] Series B Non Convertible Debenture of ₹ 10,000 each fully paid up held in Keystone Infrastructure Private Limited	-	3,429
Nil [March 31, 2022: 69,000] Optionally Convertible Debenture of ₹ 10 each fully paid up held in Keystone Infrastructure Private Limited	-	7
(b) In Joint Ventures		
Investment in Equity Instruments (unquoted, at cost)		
5,241,004 [March 31, 2022: 5,241,004] equity shares of ₹ 10 each fully paid-up held in Kapstone Constructions Private Limited	9,005	9,005
Deemed investment in Kapstone Constructions Private Limited (refer note 54)	4,392	4,392
9,541,775 [March 31, 2022: 9,541,775] 10.00% Series II-B rated, Compulsorily Convertible Debenture of ₹ 100 each fully paid- up held in Kapstone Constructions Private Limited	29,007	29,007
	42,404	42,404
5,000 [March 31, 2022: 5,000] equity shares of ₹ 10 each fully paid-up held in Jyotirling Construction Private Limited	1	1
(c) In associates		
Investment in Equity Instruments (unquoted, at cost)		
3,650 [March 31, 2022: 3,650] equity shares of ₹ 10 each fully paid-up held in Krishika Developers Private Limited	*	*
Investment in Megacorp Constructions LLP	1	1
(d) In Others (at fair value through profit and loss)		
1,199,940 [March 31, 2022: Nil] units of ₹ 100 each held in MT K Resi Development Fund	1,200	-
Nil [March 31, 2022: 58,000] equity shares of ₹ 10 each fully paid-up held in One Capitall Limited	-	20
32,010 [March 31, 2022: 32,010] equity shares of ₹ 25 each fully paid-up held in Zoroastrian Co-operative Bank Limited	8	8
	58,366	54,672

Notes to the Standalone Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of unquoted investment	58,366	54,672
Aggregate amount of quoted investment and market value thereof	-	-
Aggregate amount of impairment in value of investments	-	-

*During the year, 16,000 Series A equity shares of ₹ 10 each and 10,637,000 Series B equity shares of ₹ 10 each are converted into 10,653,000 equity shares of ₹ 10 each fully paid-up in Keystone Infrastructure Private Limited.

Disclosure pursuant to Ind AS 27 'Separate Financial Statement' for investment in equity instruments of subsidiaries, joint venture and associates:

NAME OF ENTITY	Proportion of voting rights held by the Company	
	As at March 31, 2023	As at March 31, 2022
Rustomjee Realty Private Limited	90%	90%
Credence Property Developers Private Limited	100%	100%
Nouveau Developers Private Limited	73%	73%
Xcellent Realty Private Limited	100%	100%
Firestone Developers Private Limited	73%	73%
Imperial Infradevelopers Private Limited	100%	100%
Intact Builders Private Limited	100%	100%
Dynasty Infrabuilders Private Limited	100%	100%
Amaze Builders Private Limited	100%	100%
Keystone Infrastructure Private Limited	100%	52%
Kingmaker Developers Private Limited	100%	100%
Premium Build Tech LLP	75%	75%
Navabhyudaya Nagar Development Private Limited	100%	100%
Enticier Realtors Private Limited	100%	100%
Flagranti Realtors Private Limited	100%	100%
Luceat Realtors Private Limited	58%	58%
Riverstone Educational Academy Private Limited	100%	0%
Ferrum Realtors Private Limited	100%	100%
Keybloom Realtors Private Limited (formerly known as Bloom Farmtech Private Limited)	100%	100%
Keysky Realtors Private Limited	100%	100%
Rebus Realtors LLP	99.99%	99.99%
Keyheights Realtors Private Limited	100%	100%
Keyblue Realtors Private Limited	100%	100%
Keyspace Realtors Private Limited	100%	100%
Key Galaxy Realtors Private Limited	100%	100%

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Disclosure pursuant to Ind AS 27 'Separate Financial Statement' for investment in equity instruments of subsidiaries, joint venture and associates: (Contd.)

NAME OF ENTITY	Proportion of voting rights held by the Company	
	As at March 31, 2023	As at March 31, 2022
Key Interiors Realtors Private Limited	100%	100%
Crest Property Solutions Private Limited	51%	51%
Jyotirling Construction Private Limited	50%	50%
Kapstone Constructions Private Limited	51%	51%
Megacorp Constructions LLP	50%	50%
Keyorbit Realtors Private Limited	100%	0%
Keyvihar Realtors Private Limited	100%	0%
Mirabile Realtors Private Limited	100%	0%
Keysteps Realtors Private Limited	100%	0%
Key Green Realtors Private Limited	100%	0%
Krishika Developers Private Limited	33.50%	33.50%
Kapstar Realty LLP	99%	99%

Note: All the Subsidiaries, Joint ventures and Associates mentioned above are incorporated in India. The country of incorporation is also their principal place of business. They all are engaged in real estate and related businesses.

NOTE 8 - OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good		
Long term deposits with bank*	1,092	1,662
Security deposits	116	72
Total	1,208	1,734

* Represents restricted deposit held as lien or margin money deposits against guarantees and borrowings.

NOTE 9 - CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax including tax deducted at source [net of tax provisions of ₹ 6,226 (March 31, 2022: ₹ 6,266)]	5,274	5,276
Total	5,274	5,276

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 10 - OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Advances to land owners	455	765
Allowance for doubtful advances	(205)	(500)
Total	250	265

NOTE 11 - INVENTORIES

Particulars	As at March 31, 2023	As at March 31, 2022
Completed saleable units	42,044	4,265
Construction materials	799	634
Construction work-in-progress (refer note 55)	90,213	1,00,232
Land cost	17,903	17,603
Total	1,50,959	1,22,734

Note 1: Refer notes below Note 20 and 25 for information on inventories offered as security against borrowings taken by the Company and refer Note 52 for its carrying amount.

Note 2: The amount of inventory expected to be realised greater than 1 year is ₹ 82,117 (March 31, 2022: ₹ 98,868)

NOTE 12 - CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in mutual funds - (Unquoted) (At FVTPL)		
Nil [March 31, 2022: 2,804,764] units in L&T Low duration Fund - Growth	-	644
	-	644

NOTE 13 - TRADE RECEIVABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from contract with Customers		
From related parties (refer note 48)	249	3,329
From others	3,781	4,101
Loss allowance	(26)	(33)
Total	4,004	7,397
Current portion	4,004	7,397
Non-current portion	-	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Break-up of security details

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	4,030	7,430
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	4,030	7,430
Loss allowance	(26)	(33)
Total trade receivables	4,004	7,397

Note 1: Trade receivable include ₹ 232 (March 31, 2022: ₹ 295) due from firms or private companies in which any director is a partner or director or member.

Note 2: Refer notes below Note 20 and 25 for information on trade receivable offered as security against borrowings taken by the Company and refer note 52 for its carrying amount.

Trade receivables ageing Schedules as at March 31, 2023 and as at March 31, 2022:

Undisputed Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Not Due	2,391	2,823
Less than 6 months	1,003	3,363
6 months - 1 years	-	-
1 - 2 year	222	489
2 - 3 years	30	134
More than 3 years	384	621
Total	4,030	7,430
Loss allowance	(26)	(33)
Total	4,004	7,397

Note: The Company does not have any disputed trade receivables.

NOTE 14 - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts*	6,625	3,662
Cash on hand	38	40
Deposits with original maturity of less than 3 months*	25,040	34
Total	31,703	3,736

*Includes ₹ 1,331 in current accounts and ₹ 14,500 in deposits account will be utilised as stated in the prospectus for IPO (refer note 60).

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 15 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In deposit accounts*	1,896	1,175
In deposit accounts	672	5,373
In current and escrow accounts#	360	866
Total	2,928	7,414

Note:

*This represents restricted deposits primarily on account of deposit held as lien or margin money deposits against guarantees and borrowings.

#This represent separate bank accounts as per provisions of the Real Estate (Regulation and Development) Act, 2016.

NOTE 16 - CURRENT LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
Loans		
- To related parties (refer note 48)	30,261	18,405
- To employees	-	39
- To others	1,743	56
Total	32,004	18,500

Break-up of security details

Particulars	As at March 31, 2023	As at March 31, 2022
Loans considered good - Secured	-	-
Loans considered good - Unsecured	32,004	18,500
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	32,004	18,500
Loss allowance	-	-
Total loans	32,004	18,500

Loans or Advances in the nature of loans are granted to Promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person are as below:

TYPE OF BORROWER	Amount of loan outstanding	Percentage to the total loans
As at March 31, 2023		
Promoters	-	-
Directors	-	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Loans or Advances in the nature of loans are granted to Promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013.) either severally or jointly with any other person are as below:

TYPE OF BORROWER	Amount of loan outstanding	Percentage to the total loans
KMPs	-	-
Related Parties	30,261	95%
As at March 31, 2022		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	18,405	99%

Note:

Loans to related parties includes ₹ 13,930 (March 31, 2022: ₹ 8,851) is due from private companies in which any director is a partner or director or member.

NOTE 17 - OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good		
Interest accrued on deposits with banks	150	77
Interest receivable on debentures of related parties (refer note 48)	7,874	4,849
Interest receivable on loans to related parties (refer note 48)	1,736	858
Interest receivable from others	117	121
Unsecured and considered good		
Deposits with land owners and housing societies	1,494	760
Security deposits	2,092	857
Receivable from JV partner [#]	2,540	2,108
Other receivable including related party (Refer note 48)	872	442
Considered doubtful		
Receivable from JV partner [#]	2,655	2,312
Deposits with land owners	-	250
Provision for Receivable from JV partner & Deposits with land owners	(2,655)	(2,562)
Total	16,875	10,072

[#]Receivable from JV partner represents additional contribution made towards share of net assets to be recovered from joint venture partner.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 18 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good		
Advances to Landowners and housing societies	3,183	5,612
Advances for supply of goods and services	5,119	2,550
Balance with government authorities	1,308	1,558
Prepaid expenses (includes contract cost ₹ 4,238, March 31, 2022 ₹ 2,862)	4,646	2,908
Considered doubtful		
Advances to Landowners and housing societies	26	26
Provision for doubtful advances	(26)	(26)
Total	14,256	12,628

NOTE 19 - EQUITY SHARE CAPITAL AND OTHER EQUITY

Note 19(a) - Equity share capital

(i) Authorised share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Share capital		
235,300,000 [March 31, 2022: 135,640,000] equity shares of ₹ 10 each	23,530	13,564
Nil [March 31, 2022: 10,00,10,000] optionally convertible preference shares of ₹ 10 each	-	10,001
420,000 [March 31, 2022: 65,000] redeemable preference shares of ₹ 10 each	42	7
Total	23,572	23,572

(ii) Issued, subscribed and fully paid up

Particulars	As at March 31, 2023	As at March 31, 2022
Equity share capital		
113,877,423 [March 31, 2022: 100,030,680] Equity shares of ₹ 10 each	11,388	10,003
Total	11,388	10,003

(iii) Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(iv) Movement in equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
Balance as at the beginning of the year	10,00,30,680	10,003	10,00,30,680	10,003
Add: Changes during the year (Refer Note 25(iii)(a), Note 58 and Note 59)	1,38,46,743	1,385	-	-
Balance as at the end of the year	11,38,77,423	11,388	10,00,30,680	10,003

(v) Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% Holding	Number of shares	% Holding
Boman Irani	4,78,72,460	42.04%	4,85,65,620	48.55%
Percy Chowdhry	2,39,36,230	21.02%	2,42,82,810	24.28%
Chandresh Mehta	2,39,36,230	21.02%	2,42,82,810	24.28%
Total	9,57,44,920	84.08%	9,71,31,240	97.11%

(vi) Shareholding of promoters are disclosed below:

Particulars	Number of shares	% Total shares	% Changes during the year
As at March 31, 2023			
Boman Irani	4,78,72,460	42.04%	-6.51%
Percy Chowdhry	2,39,36,230	21.02%	-3.26%
Chandresh Mehta	2,39,36,230	21.02%	-3.26%
As at March 31, 2022			
Boman Irani	4,85,65,620	48.55%	-
Percy Chowdhry	2,42,82,810	24.28%	-
Chandresh Mehta	2,42,82,810	24.28%	-

(vii) Aggregate number of shares issued as fully paid up bonus shares (during 5 years immediately preceding March 31, 2023):

10,00,10,000, 0.1% Optionally convertible redeemable preference shares ("OCRPS") of ₹ 10 each were issued on October 28, 2015 as fully paid-up bonus shares. The OCRPS got converted to the equity shares during the financial year 2018-19.

19(b) - Reserves and surplus

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium reserve	80,524	12,738
Retained earnings	34,230	23,330
Debenture redemption reserve	-	2
Capital reserve	1,110	1,110
General reserve	23,641	23,639
Employee stock option outstanding (refer note 44)	622	-
Total	1,40,127	60,819

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Securities premium reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	12,738	12,738
Amount received on issue of shares (Refer Note 58, Note 59 and Note 60)	71,624	-
Less: Amount utilised for share issue expenses (Refer Note 58, Note 59 and Note 60)	(3,838)	-
Closing balance	80,524	12,738

(ii) Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	23,330	11,309
Other comprehensive (loss)/income - remeasurements of post employment benefit plan	(23)	15
Profit for the year	10,923	12,006
Closing balance	34,230	23,330

(iii) Debenture redemption reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2	2
Changes during the year	(2)	-
Closing balance	-	2

(iv) Capital reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1,110	1,110
Changes during the year	-	-
Closing balance	1,110	1,110

(v) General reserves

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	23,639	23,639
Changes during the year	2	-
Closing balance	23,641	23,639

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(vi) Employee stock option outstanding

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	-	-
Employee stock option expense	622	-
Closing balance	622	-

Nature and purpose of other reserves:

Debenture redemption reserve

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend and for the purpose of redemption of redeemable non convertible and optionally convertible debentures.

Securities premium reserve

Securities premium is used to record the premium on issue of shares. This is utilised in accordance with the provision of the Companies Act, 2013.

Capital Reserve

Capital reserve is created out of profits or gains of a capital nature. The capital reserve is available for utilisation against capital purpose and are not available for distribution of dividend.

General Reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Employee stock option outstanding

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Rustomjee Employee stock option plan.

NOTE 20 - NON-CURRENT BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans (Refer note 25(iii))		
From Banks	-	1,068
From Other Parties (including financial institutions)	-	5,647
Vehicle Loans (Refer note 25(v))		
From Banks	87	12
Unsecured		
Debentures (Refer note 25(ii)(a))		
[March 31, 2022: 9,113] 15% Optionally convertible debentures	-	9
Preference shares (Refer note 25(i))		
[March 31, 2022: 2,160] 0% Redeemable preference shares	-	*
Less: Current maturities of long-term debts (included in current borrowings)	(14)	(812)
Less: Interest accrued (included in current borrowings)	-	(5)
Total	73	5,919

Refer note 25 for nature of security and terms of repayment.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 21 - LEASE LIABILITIES - NON-CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	296	249
Total	296	249

NOTE 22 - TRADE PAYABLES - NON-CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Dues to micro and small enterprises (refer note 49)	-	-
Dues to others	669	304
Total	669	304

Note: Refer note 27 for ageing of trade payables.

NOTE 23 - OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits towards rented premises	8	12
Corpus fund payable to society	8,985	11,105
Total	8,993	11,117

Note: Movement of corpus fund payable to society towards society maintenance (net).

Corpus fund payable to society

Particulars	As at March 31, 2023	As at March 31, 2022
Beginning of the year	11,105	10,265
Add: Collections from customers made during the year	1,664	764
Add: Returns on corpus collected	748	1,169
Less: Utilised/Paid during the year	(4,532)	(1,093)
Closing balance	8,985	11,105

The Company collect corpus fund deposit from the customers. The Company has invested the corpus fund deposit in fixed deposits and any other investment schemes. The interest income/return accrued shall be first utilised for maintenance of the society, in case of any shortfall corpus fund deposit shall be utilised.

NOTE 24 - NON-CURRENT PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefit		
Gratuity (refer note 44)	146	240
Total	146	240

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 25 - CURRENT BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Debentures (Refer note 25(ii)(b))		
970 [March 31, 2022: Nil] 11.50% Redeemable non-convertible debentures (refer note 25(ii)(b))	7,305	-
Vehicle Loans (refer note 25(v))		
From Banks	14	-
Term loans (Refer note 25(iii))		
From Banks	-	15,194
From financial institutions	4,864	20,085
Cash credit and overdraft facilities from banks (Refer note 25(iv))	482	2,452
Current maturities of long term debt (Refer note 25(iii))	-	817
Unsecured loans		
Loans and deposits from related parties (Refer note 25(vi))		
From related parties (refer note 48)	32,441	34,782
From directors (refer note 48)	-	1,510
Loans from Others (Refer note 25(vi))	-	105
Total	45,106	74,945

Nature of security and terms of repayment for secured borrowings:

i) Redeemable preference shares

0% Redeemable preference shares of ₹ 10 each were issued on December 04, 2014 to the erstwhile shareholders of Rustomjee Buildcon Private Limited pursuant to the scheme of amalgamation (approved by Hon'ble High Court of Bombay vide its order dated November 07, 2014) without payment being received in cash. These shares may be redeemable, in whole or in part, at the option of the Company or the holder at any time on or before December 03, 2034. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up. During the year, preference shares has been redeemed at par.

ii) Debentures

(a) Optionally convertible debentures (OCDs)

These OCDs carry a interest rate of 15% p.a payable quarterly, which are either convertible into one fully paid up equity share of the Company for each OCD at the option of the holder or are reedemable at any time on or before April 04, 2023 at par. During the year, OCDs are converted into equity shares.

(b) Redeemable non-convertible debentures (NCDs)

- (i) First charge over entire Project assets including the project development rights, buildings and any other moveable and immoveable assets of the Project with a security cover of 1.50x;
- (ii) First charge over Project Collections generated from the Project which will be deposited in the Designated Bank Account;
- (iii) Charge over bank accounts of the Issuer including Designated Bank Account, Current Account and DSRA Account (Interest for next 3 months) related to the Project;
- (iv) Cost overrun, completion & cash shortfall undertaking from the Promoters;
- (v) Personal Guarantee of Boman Irani, Chandresh Mehta & Percy Chowdhry.

Terms of repayment along with interest charged is as follows:

- (i) the term loan is repayable within 30 months from date of Allotment i.e. September 06, 2022.
- (ii) the term loan carries interest rate of 11.50% p.a. payable semi-annually.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

iii) Term loans from banks and other parties

(a) Term loan from ICICI Bank Limited amounting to Nil (March 31, 2022: ₹ 4,848) is secured against

- (i) Exclusive charge by way of registered mortgage on the development rights of all the pieces and parcels of land bearing CTS Nos. G-164A (part) G-626 of village Bandra, Taluka Andheri, in Mumbai Suburban District Mumbai, admeasuring 14,184 sq. mtrs., together with all buildings and structures thereon, both present and future;
- (ii) Exclusive charge by way of registered mortgage on project "Rustomjee Paramount", excluding sold units;
- (iii) Exclusive charge by way of registered mortgage on the scheduled receivables of residential project "Rustomjee Paramount";
- (iv) Exclusive charge by way of registered mortgage on security of all rights, title, interest, claims, benefits, demands under the Project documents both present and future;
- (v) Exclusive charge by way of registered mortgage on the Escrow Account, all monies credited/ deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be);
- (vi) Additionally, Boman Irani, Percy Chowdhry and Chandresh Mehta (Managing Director and Directors of the Company respectively) have provided their unconditional and irrevocable personal guarantee in respect of the loan.

Terms of repayment along with interest charged is as follows:

- (i) for ₹ 15,000 loan, the loan is repayable in 14 monthly installment commencing from September 15, 2021;
- (ii) for ₹ 15,000 loan, The loan carries interest rate linked to ICICI Bank Limited "MCLR 1Y+Spread". The rate of interest on the loan is MCLR 1Y plus 2.70% spread p.a.

(b) Term loan from Standard Chartered Bank amounting to Nil (March 31, 2022: ₹ 800) is secured against:

Exclusive charge over 9 identified unsold flats (1 flat in Project Rustomjee Elita with area of 2,010 sft, 2 flats in Project Rustomjee Oriana with area of 5,892 sft and 6 flats in Project Rustomjee Seasons with area of 13,990 sft) offered as security and all receivables thereon ensuring minimum security cover of 1.54x/65% for the facility. Additionally, Boman Irani, Percy Chowdhry and Chandresh

Mehta (Managing Director and Directors of the Company respectively) have provided their unconditional and irrevocable personal guarantee in respect of the loan.

Terms of repayment along with interest charged is as follows:

The loan is repayable in quarterly installments of ₹ 528 starting from October 30, 2020.

The terms loans carry interest rate of 11.25% to 12.35%.

(c) Term loan from ICICI Bank Limited amounting to Nil (March 31, 2022: ₹ 10,535) is secured against:

The Facility, an interest thereon, costs, charges, expenses and all other monies in respect thereof shall be secured by:

1. Exclusive mortgage in favour of ICICI BANK by way of registered mortgage on the development rights of the all the piece & parcel Of land located at survey no. 19 and City Survey no. 76 (part), 88 (part) and 588 (part), Rajendra Nagar, Borivali East, District of Mumbai City, admeasuring approximately 7,120 sq. mtrs including all the structures thereon both present future, along with all the development potential arising thereon (including additional development potential in the form of TDR, premium FSI, etc), both present and future;
2. First Pari Passu mortgage in favour of ICICI BANK by way of registered mortgage on the development rights of the Land bearing CTS Nos. G-164A (part) & G-62E of village Bandra, Taluka Andheri, in the Mumbai Suburban District, Mumbai, admeasuring 14,184 sq. mtrs., together with all buildings and structures thereon, both present and future;
3. Exclusive mortgage in favour of ICICI BANK by way of registered mortgage on Rustomjee Summit project excluding sold units;
4. First Pari Passu mortgage in favour of ICICI BANK by way of registered mortgage on Rustomjee Paramount Project excluding sold units;
5. Exclusive mortgage by way of registered, mortgage on the Scheduled Receivables of the Rustomjee Summit Project and all insurance proceeds, both present and future;
6. First Pari Passu mortgage by way of registered mortgage on the Scheduled Receivables of the Rustomjee Paramount Project and all insurance proceeds, both present and future;

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

7. Exclusive mortgage by way of registered mortgage on security of all rights, title, interest, claims, benefits, demands under the Rustomjee Summit Project Documents both present and future;
 8. First Pari Passu mortgage by way of registered mortgage on security of all rights, title, interest, claims, benefits, demands under the Rustomjee Paramount Project Documents both present and future;
 9. Exclusive mortgage by way of registered mortgage/hypothecation on the Escrow Account of the Rustomjee Summit Project and DSR Account all monies credited/deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be);
 10. First Pari Passu mortgage by way of registered mortgage/hypothecation on the Escrow Account 1 and Escrow Account 2 of the Rustomjee Paramount Project and the DSR Account all monies credited/deposited therein (in whatever form the same may be) and all investments in respect thereof (in whatever form the same may be);
 11. Additionally, Mr. Boman R. Irani, Mr. Percy S. Chowdhry and Mr. Chandresh Mehta (Managing Director and Directors of the Company respectively) have provided their unconditional and irrevocable personal guarantee in respect of the loan.
- 2) Second charge on 28 units in tower D of the Project currently charge with the M.I.G. Co-operative Housing Society Bandra East Group IV Limited ("Society") (Once the charge of the Society is released the Lender shall become the exclusive charge holder).

Terms of repayment along with interest charged is as follows:

The Loan is repayable after completion of 24 months from date of 1st disbursement. Loan will be repaid in 16 quarterly instalments calculated on balance outstanding after 24 months

The terms loans carry interest rate of 11.00%

(e) Term loan from Tata Capital Housing Finance Limited amounting to ₹ 4,864 (March 31, 2022: ₹ 2,814) is secured against:

- Exclusive charge by way of registered mortgage over development rights and FSI of project Parishram by Rustomjee situated at Pali Hill Road, Bandra.
- Exclusive charge to be created on Security Flat admeasuring 2665 sq. ft. carpet area i.e. 4397.25 sq. ft. saleable area, immediately upon receipt of OC of the Project.
- Exclusive charge by way of hypothecation on all the receivables including sold, unsold, insurance receipts, development and other charges and any cash inflow in the redevelopment Project Parishram Rustomjee at Pali Hill.
- DSRA equivalent to 3 month's interest on outstanding amount of the facility.

Terms of repayment along with interest charged is as follows:

The Loan is repayable in 9 quarterly installments commencing from March 15, 2021.

The terms loans carry interest rate of 11.20% to 11.35%.

(d) Term loan from L & T Finance Limited amounting to Nil (March 31, 2022: ₹ 22,794) is secured against:

- 1) Exclusive charge by way of registered indenture of mortgage:
 - (i) on the development rights of the Project arising out of land parcel admeasuring 15,445.08 sq.mtrs. Corresponding to survey no.341(pt), having corresponding CTS nos 648 (Part), 648-1 to 6 village Bandra, Gandhi Nagar, located at Bandra east, Mumbai 0400051 and present & future construction thereon.
 - (ii) On entire unsold units and sold receivables of the project.

Terms of repayment along with interest charged is as follows:

Moratorium period of 36 months and there after 24 equated monthly installments commencing from the end of 37th month since the date of first drawdown under the facility.

Rate of Interest will be Construction Finance Prime Lending Rate (CFPLR) minus 6.45% per annum on monthly reducing & floating rate basis. The present CFPLR is 17.45% & present effective rate of interest will be 11.00% per annum on monthly reducing & floating rate basis.

iv) Cash credit and overdraft facilities

- (a) The overdraft facility availed from ICICI Bank Limited amounting to Nil (March 31, 2022: Nil) is secured by same securities as that of the term loan amounting to Nil as on March 31, 2022. (refer point (a))

Notes to the Standalone Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

Interest rate is as follows:

The facility carries floating interest rate linked to ICICI Bank Limited I-MCLR 6M+ spread. The rate of interest on the loan is I-MCLR 6M+ plus 2.90% spread p.a.

- (b) The overdraft facility availed from ICICI Bank Limited amounting to ₹ 123 (March 31, 2022: ₹ 2,450) is secured by same securities as that of the term loan amounting to Nil as on March 31, 2023. (refer point (a)).

Interest rate is as follows:

The facility carries floating interest rate linked to ICICI Bank Limited I-MCLR 6M+ spread. The rate of interest on the loan is I-MCLR 6M plus 3.00% spread p.a.

- (c) The overdraft facility availed from Standard Chartered Bank Limited amounting to Nil (March 31, 2022: ₹ 2) is secured against as (refer point (d)).

Interest rate is as follows:

The loan carries floating interest rate linked to Marginal Cost of Lending Rate (MCLR). The rate of interest on the loan is MCLR plus margin.

- (d) The cash credit facility availed from The Zoroastrian Co-operative Bank Limited amounting to ₹ 359 (March 31, 2022: Nil) is secured against registered mortgage of 3 flats belonging to the Company and directors.

Interest is payable monthly @ 11.00% p.a.

v) Vehicle loan

Vehicle loan from ICICI Bank Limited amounting to ₹ 87 (March 31, 2022: ₹ 15) is secured against:

Vehicle Loan I is taken from ICICI bank and repayable in 60 monthly installment of ₹ 1.14 including interest @ 7.75% p.a.

Vehicle Loan II is taken from ICICI bank and repayable in 60 monthly installment of ₹ 0.18 including interest @ 8.50% p.a.

Vehicle Loan III is taken from ICICI bank and repayable in 60 monthly installment of ₹ 1.79 including interest @ 8.65% p.a.

These loans are secured by underlying assets against which these loans have been obtained, refer note 52.

vi) Unsecured Loans and advances from related parties and others

Loan from related parties carry an interest of 0%-11% p.a.

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in note 52.

For Liabilities from financing activities refer note 46.

NOTE 26 - LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Lease Liabilities	320	210
Total	320	210

NOTE 27 - TRADE PAYABLES - CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Due to related party (refer note 48)	66	229
Dues to micro and small enterprises (refer note 49)	60	69
Dues to others	28,020	23,701
Total	28,146	23,999

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Current and non-current trade payable ageing Schedules for the year ended March 31, 2023 and year ended March 31, 2022:

Outstanding for the year ended March 31, 2023 from the due date of payment

Particulars	MSME	Others
Unbilled	-	16,172
Not Due	9	8,764
Less than 1 year	17	985
1-2 year	34	298
2- 3 years	-	103
More than 3 years	-	2,433
Total	60	28,755

Outstanding for the year ended March 31, 2022 from the due date of payment

Particulars	MSME	Others
Unbilled	-	17,077
Not Due	32	1,427
Less than 1 year	37	2,390
1-2 year	*	173
2- 3 years	-	129
More than 3 years	*	3,038
Total	69	24,234

Note: Company does not have any disputed trade payables to MSME & others

NOTE 28 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Refundable towards cancelled units	309	514
Payables on purchase of property, plant and equipment	1	1
Deposit payable to joint venture	-	130
Deposit and other charges payable to society (net)*	941	944
Employee benefits payable	866	474
Other payables	550	113
Total	2,667	2,176

* The Company collects deposits as an agent from the customers for maintenance of the society. The unspent balance after utilisation if any, will be refunded at the time of handing over the society.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 29 - CURRENT PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee Benefit (refer note 44)		
Compensated absences	386	330
Gratuity	49	80
Others		
Provision for foreseeable loss (refer note 55)	446	1,522
Total	881	1,932
Provision for foreseeable losses:		
Balance at the beginning of the year	1,522	2,967
Less: Amount used/reversed	1,076	1,445
Balance at the end of the year	446	1,522

NOTE 30 - CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax provisions [net of Advance tax including tax deducted at source of ₹ 5,930, (March 31, 2022: ₹ 1,553)]	425	1,687
Total	425	1,687

NOTE 31 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers (Contract Liabilities) (Refer note 1 below)	80,960	50,848
Statutory dues payable	1,312	496
Deferred Financial Guarantee liability	533	724
Restoration liability	-	3,637
Other liabilities	36	36
Total	82,841	55,741

Note:

1. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made.

Advance from customers expected to be settled greater than 1 year is ₹ 18,245 (March 31, 2022: ₹ 37,262)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 32 - REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Contract with Customers		
Revenue from projects	31,914	83,741
Other operating income		
Sale of scrap	109	87
Others	783	1,308
Total	32,806	85,136

NOTE 33 - OTHER INCOME

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from financial assets at amortised cost		
On deposits with banks	644	136
On debentures	3,878	4,424
On intercorporate deposits	979	784
Others	108	50
Guarantee income	382	134
Dividend income	*	134
Reversal of foreseeable loss	1,076	1,445
Rental income	103	85
Net gain in financial assets measured at FVTPL	856	-
Miscellaneous income	257	279
Total	8,283	7,471

NOTE 34 - CONSTRUCTION COSTS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cost of land, development rights and related expenses	3,307	13,522
Cost of material consumed	9,410	2,708
Labour and material contractual expenses	11,552	4,965
FSI, TDR and other approval cost	7,389	12,021
Power and fuel	110	113
Insurance	2	48
Rates and taxes	3,596	2,150
Security charges	156	149
Technical and consultancy fees	949	895
Transport charges	115	47
Other site operation expenses	635	665

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 34 - CONSTRUCTION COSTS (Contd.)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Allocated expenses to the project		
Finance costs	4,856	4,812
Employee benefit expenses	3,491	2,102
Other expenses	644	422
Total	46,212	44,619

Note 34 (a) - Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw material at beginning of the year	634	639
Add: Purchases	9,575	2,702
Less: Raw material at end of the year	(799)	(634)
Total cost of materials consumed	9,410	2,707

NOTE 35 - CHANGES IN INVENTORIES OF COMPLETED SALEABLE UNITS AND CONSTRUCTION WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year		
Completed saleable units	4,265	14,934
Construction work in progress	1,00,232	1,11,439
Land	17,603	17,603
Total (A)	1,22,100	1,43,976
Inventories at the end of the year		
Completed saleable units	42,044	4,265
Construction work in progress	90,213	1,00,232
Land	17,903	17,603
Total (B)	1,50,160	1,22,100
Increase/(Decrease) in stock (B-A)	28,060	(21,876)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 36 - EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and bonus	4,936	3,948
Staff welfare expenses	200	111
Employee stock option expense (refer note 44)	331	-
Contribution to provident and other funds (refer note 44)	157	112
Gratuity (refer note 44)	60	62
	5,684	4,233
Less: Allocated to construction cost	(3,491)	(2,102)
Total	2,193	2,131

NOTE 37 - DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Property, plant and equipment	113	65
Amortisation of Intangible assets	13	14
Depreciation on Investment property	41	41
Depreciation on Right-of-use assets	264	218
Total	431	338

NOTE 38 - FINANCE COSTS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		
Interest and finance charges on lease liabilities and financial liabilities not at fair value through profit or loss	4,992	6,843
Interest on statutory dues	177	195
Other borrowing costs	635	239
	5,804	7,277
Less: Allocated to construction cost	(4,856)	(4,812)
Total	948	2,465

NOTE 39 - OTHER EXPENSES

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertisement and publicity	1,211	470
Commission and brokerage	330	896
Net Loss in financial assets measured at fair value through profit and loss	-	416

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 39 - OTHER EXPENSES (Contd.)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Compensation charges paid	40	451
Directors sitting fees and commission	62	-
Legal and professional charges	474	523
Guarantee expenses	-	136
Printing and stationery	29	17
Loss allowance on non financial assets	295	
Loss allowance on financial assets	257	
Bad debts written off	(552)	-
Rates and taxes	1,040	1,195
Rent	47	47
Repairs and maintenance		
- Vehicles	8	14
- Others	149	96
Sales promotion	289	301
Information technology expenses	189	64
Impairment loss on financial assets	342	26
Communication expenses	106	99
Travelling and conveyance	169	341
Corporate social responsibility expenditure	183	138
Outsourced manpower cost	452	372
Payment to Auditors	61	261
Miscellaneous expenses	231	129
	5,412	5,992
Other expenses allocated to construction costs	(644)	(422)
Total	4,768	5,570

Note 39 (a) - Details of payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Details of payment to auditors		
As auditors	-	-
Audit fees	47	33
Limited Review	10	-
In other capacity	-	-
Other Services (Initial Public Offer related)	-	225
Certification fees	4	3
Total	61	261

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 39 (b) - Corporate social responsibility expenditure

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amounts required to be spent as per section 135 of the Act	183	183
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purpose other than (i) above	183	183

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent during the year	183	183
Amount spent during the year	183	183

The amount spent on corporate social responsibility expenditure are for promoting education and healthcare.

The amount spent on corporate social responsibility expenditure for the year ended March 31, 2022 includes ₹ 50 carried forward from previous year.

NOTE 40- TAXATION

(a) Income tax expense recognised in statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
Current tax on profits for the year	3,114	3,295
Total current tax expense	3,114	3,295
Deferred tax		
Decrease in deferred tax assets	617	196
Increase in deferred tax liabilities	(57)	111
Total deferred tax expense/(benefit)	560	307
Income tax expense recognised in statement of profit and loss	3,674	3,602

Income tax expense recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income tax on remeasurement of the net defined benefit obligation	8	(5)
Income tax expense recognised in statement of profit and loss	8	(5)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax assets		
Expenses allowable for tax purposes when paid/written off	621	1,230
Deferred tax liabilities		
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	(53)	(41)
Impact of expenditure claimed for tax purposes in the current year but expenditure charged to the statement of profit and loss in subsequent years	(126)	(194)
Deferred tax assets (net)	442	995

Particulars	As at April 01, 2021	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	As at March 31, 2022
Movement in deferred tax assets				
Expenses allowable for tax purposes when paid/written off	1,371	(136)	(5)	1,230
Accumulated business losses as per tax books	4	(4)	-	-
Difference in method of Recognition of Revenue and related cost between Tax accounts and books	275	(275)	-	-
Movement in deferred tax liabilities				
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	(33)	(8)	-	(41)
Impact of expenditure claimed for tax purposes in the current year but expenditure charged to the statement of profit and loss in subsequent years	(310)	116	-	(194)
Total	1,307	(307)	(5)	995

Movement in deferred tax assets (net)

Particulars	As at April 01, 2022	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	As at March 31, 2023
Movement in deferred tax assets				
Expenses allowable for tax purposes when paid/written off	1,230	(617)	8	621
Movement in deferred tax liabilities				

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Movement in deferred tax assets (net) (Contd.)

Particulars	As at April 01, 2022	(Charged)/ credited to profit and loss	(Charged)/ credited to OCI	As at March 31, 2023
Difference in carrying amount of property plant and equipment and Intangible assets as per tax accounts and books	(41)	(12)	-	(53)
Impact of expenditure claimed for tax purposes in the current year but expenditure charged to the statement of profit and loss in subsequent years	(194)	68	-	(126)
Total	995	(560)	8	442

(c) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax for the year	14,597	15,608
Statutory tax rate applicable to the Company	25.17%	25.17%
Tax expense at applicable tax rate	3,674	3,928
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Interest waiver	(95)	(316)
Interest on shortfall of advance tax	17	55
Impact due to difference in the tax rate of jointly controlled operations	21	77
Others	57	(142)
Income tax expense	3,674	3,602

NOTE 41 - FAIR VALUE MEASUREMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets - at amortised cost		
Investment in debentures	34,007	34,007
Security deposits	2,208	929
Long term deposits with bank	1,092	1,662
Trade receivables	4,004	7,397
Cash and cash equivalents	31,703	3,736
Bank balances other than cash and cash equivalents	2,928	7,414
Current loans	32,004	18,500
Interest accrued on deposits with banks	150	77

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 41 - FAIR VALUE MEASUREMENTS (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest receivable	9,727	5,828
Deposits with land owners and housing societies	1,494	760
Other receivable	872	442
Receivable from JV partner	2,540	2,108
Financial assets - Fair value through Profit and Loss		
Investment in equity instruments of others	1,208	28
Investment in debentures	-	3,436
Investment in mutual fund	-	644
Total financial assets	1,23,937	86,968
Financial liabilities - at amortised cost		
Borrowings	45,179	80,864
Trade payables	28,815	24,303
Security deposits towards rented premises	8	12
Refundable towards cancelled units	309	514
Payables on purchase of property, plant and equipment	1	1
Deposit payable to joint venture	-	130
Corpus, Deposit and other charges payable to society (net)	9,926	12,049
Employee benefits payable	866	474
Other payables	550	113
Total financial liabilities	85,654	1,18,460

(ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The Mutual fund are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

The fair values of investment in debentures and borrowings, security deposits, long term deposits with bank, trade payable, corpus, security deposit towards rented premises with original maturity of more than 12 months are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

(iv) Fair value of financial instruments measured at amortised cost - Level 3

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities				
Borrowings	13,354	13,354	6,727	6,727
Total financial liabilities	13,354	13,354	6,727	6,727

For financials liabilities the carrying amounts are equal to the fair value as interest rate on financials liabilities that are measured at fair value is at the prevailing market rates.

(v) Fair value of financial instruments measured through profit and loss

Particulars	As at March 31, 2023		
	Level 1	Level 2	Level 3
Financial assets			
Investment in Equity Instruments	-	1,200	8
Total financial assets	-	1,200	8

Particulars	As at March 31, 2022		
	Level 1	Level 2	Level 3
Financial assets			
Investment in Equity Instruments	-	-	28
Investment in Debentures	-	-	3,436
Investment in mutual fund	644	-	-
Total financial assets	644	-	3,464

NOTE 42 - FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks namely credit risk, liquidity risk and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. The Company is exposed to credit risk from investment in debentures, loans, deposits with banks and financial institutions.

Trade receivables

Trade receivables are generally unsecured and are derived from revenue earned from customers. Credit risks related to receivables resulting from sale of inventories is managed by requiring customers to pay the dues before transfer of possession, therefore, substantially eliminating the Company's credit risk in this respect. In case of cancellation of sales agreement by the customer, the Company shall be entitled to sell and transfer the premises to another customer, forfeit and appropriate into itself an amount equivalent to (a) 10% (ten percent) of the Sale Consideration and (b) the actual

Notes to the Standalone Financial Statements

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loss to occur on the resale of the premises to the new customer. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Other financial assets

The Company has assessed for its other financial assets namely loans, interest receivable, security deposits, deposits recoverable from land owners and housing societies, receivable from JV Partner, Bank balances other than cash and cash equivalents and other receivable as high quality, negligible credit risk. The Company periodically monitors the recoverability and credit risks of its financial assets. The Company evaluates 12 month expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Company considers lifetime expected credit losses for the purpose of impairment provisioning.

The Company's maximum exposure to credit risk as at March 31, 2023 and March 31, 2022 is the carrying value of each class of financial assets as disclosed in notes 7-8 and 12-17.

The movement in allowance for doubtful debts, Interest receivables and other advances is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2,595	2,595
Changes in loss allowances:		
Additions	343	-
Reversal	(257)	-
Closing Balance	2,681	2,595

(ii) Liquidity risk

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. Company's objective is to, at all time maintain optimum levels of liquidity to meet its financial obligations. The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and by having access to funding through an adequate amount of committed credit lines. In addition, processes and policies related to such risks are overseen by senior management.

Maturities of financial liabilities

The table summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments:

Particulars	Less than one year	One to four years	More than four years	Total
As at March 31, 2023				
Borrowings (Including Interest)	36,268	11,835	25	48,128
Trade payables	28,146	669	-	28,815
Security deposits towards rented premises	-	-	8	8
Refundable towards cancelled units	309	-	-	309
Corpus, Deposit and other charges payable to society (net)	941	8,985	-	9,926
Lease Liabilities	374	353	-	727
Employee benefits payable	866	-	-	866
Other payables	550	-	-	550
	67,454	21,842	33	89,329

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as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Maturities of financial liabilities

The table summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments:

Particulars	Less than one year	One to four years	More than four years	Total
As at March 31, 2022				
Borrowings (Including Interest)	58,515	25,770	6,797	91,082
Trade payables	23,999	304	-	24,303
Security deposits towards rented premises	-	-	12	12
Refundable towards cancelled units	514	-	-	514
Payables on purchase of property, plant and equipment	1	-	-	1
Deposit payable to joint venture	130	-	-	130
Corpus, Deposit and other charges payable to society (net)	944	3,831	7,274	12,049
Lease Liabilities	247	265	-	512
Employee benefits payable	474	-	-	474
Other payables	113	-	-	113
	84,937	30,170	14,083	1,29,190

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and creditors for capital expenditure.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not materially exposed to any foreign exchange risk during the reporting periods.

(b) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market rate is limited to borrowings (excluding vehicle loans and non-convertible debentures) which bear floating interest rate. The Company's fixed rate borrowings are carried at amortised cost. 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.

The Company manages interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period is as follows:

(a) Interest rate exposure

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing	5,346	45,246
Total	5,346	45,246

Notes to the Standalone Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Company's profit before tax will be impacted by a change in interest rate as follows:

Particulars	Increase/(decrease) in profit before tax	
	As at March 31, 2023	As at March 31, 2022
Increase in interest rate by 100 basis points (20 bps)	(53)	(90)
Decrease in interest rate by 100 basis points (20 bps)	53	90

NOTE 43 - CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Parent, non-controlling interest and borrowings (including interest accrued and lease liability).

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns for its shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs.

The Company monitors the capital structure on the basis of debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's aim is to translate profitable growth to superior cash generation through efficient capital management. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The table below summarises the capital, debt and debt to equity ratio of the Company:

Particulars	As at March 31, 2023	As at March 31, 2022
Equity share capital	11,388	10,003
Other equity	1,40,127	60,819
Total equity (A)	1,51,515	70,822
Borrowings (including interest accrued and lease liabilities)	45,795	81,323
Total Debt	45,795	81,323
Debt to equity ratio	0.30	1.15

The Company was in compliance with all of its debt covenants for borrowings as at each of the dates mentioned above.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 44 - EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Gratuity	146	240
Current		
Compensated absences	386	330
Gratuity	49	80
Total	581	650

(i) Leave obligations

The leave obligations cover the Company's liability for casual, sick and earned leave are based on Actuarial valuation.

The amount of the provision of ₹ 386 (March 31, 2022: ₹ 330) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	As at March 31, 2023	As at March 31, 2022
Leave obligations not expected to be settled within next 12 months	268	244

(ii) Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. During the year, the Company has recognised ₹ 157 (March 31, 2022: ₹ 112) in the standalone statement of profit and loss or construction work-in-progress.

(iii) Post employment obligations

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Balance Sheet Amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2021	392	87	305
Current service cost	42	-	42
Past service cost	2	2	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Balance Sheet Amounts - Gratuity (Contd.)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Interest expense/(income)	26	6	20
Total amount recognised in profit and loss	70	8	62
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(1)	1
(Gain)/loss from change in demographic assumptions	(16)	-	(16)
(Gain)/loss from change in financial assumptions	4	-	4
Experience (gains)/losses	(9)	-	(9)
Total amount recognised in other comprehensive income	(21)	(1)	(20)
Employer contributions	-	27	(27)
Benefit payments	(38)	(38)	-
As at March 31, 2022	403	83	320

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2022	403	83	320
Current service cost	40	-	40
Liability Transferred Out/Divestments	-	-	-
Interest expense/(income)	26	6	20
Total amount recognised in profit and loss	66	6	60
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	1	(1)
(Gain)/loss from change in demographic assumptions	(14)	-	(14)
(Gain)/loss from change in financial assumptions	(14)	-	(14)
Experience (gains)/losses	60	-	60
Total amount recognised in other comprehensive income	32	1	31
Employer contributions	-	197	(197)
Benefit payments	(44)	(25)	(19)
As at March 31, 2023	457	262	195

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

The net liability disclosed above relating to funded and unfunded plans is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	(457)	(403)
Fair value of plan assets	262	83
Deficit of funded plan	(195)	(320)
Deficit of gratuity plan	(195)	(320)

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.31%	6.41%
Employee turnover	20.00%	14.58%
Salary growth rate	10.00%	8.00% p.a. for the next 1 years, 10.00% p.a. thereafter, starting from the 2 nd year
Return on plan assets	7.31%	6.41%
Mortality rate	Indian assured lives mortality 2012-14 (Urban)	

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions by 1% is as below:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Discount rate	(15)	(19)	16	21
Salary growth rate	12	15	(11)	(15)
Employee turnover	(1)	(3)	1	3

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) The major categories of plan assets are as follows:

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

(vi) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset liability matching risk (ALM risk): The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance Company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(vii) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2023 is ₹ 49 (March 31, 2022: ₹ 80).

The weighted average duration of the defined benefit obligation is 8 years. The expected maturity analysis of undiscounted gratuity is as follows:

Projected benefits payable in future years from the date of reporting:

Particulars	As at March 31, 2023	As at March 31, 2022
1 st following year	97	64
2 nd following year	82	46
3 rd following year	63	51
4 th following year	57	42
5 th following year	51	41
Sum of years 6 to 10	167	174
Sum of years 11 and above	94	166

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(viii) Employee stock option plan

The establishment of the Rustomjee Employee Stock Option Plan 2022 was approved by the Shareholders on May 11, 2022. Under the plan, participants are granted options which vest at 25% each year over the period of four years of service from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of four years. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under the plan:

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ in absolute)	Number of options	Average exercise price per share option (₹ in absolute)	Number of options
Opening balance	-	-	-	-
Granted during the year	480	6,37,200	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	480	(49,200)	-	-
Closing balance	480	5,88,000	-	-

During the current valuation period, no options have been exercised and no options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Vesting date	Exercise price (₹ in absolute)	Share options as at March 31, 2023	Fair value of option (₹ in absolute)
01-Aug-22	01-Aug-23	480	1,47,000	191
01-Aug-22	01-Aug-24	480	1,47,000	221
01-Aug-22	01-Aug-25	480	1,47,000	247
01-Aug-22	01-Aug-26	480	1,47,000	272

Weighted average remaining contractual life of options outstanding at end of period is 5.84.

Fair value of options granted:

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2023 includes:

- Vested options are exercisable for a period of four years after vesting.
- exercise price: ₹ 480 (in absolute)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

- c) grant date: August 01, 2022
- d) share price at grant date: ₹ 499.34 (in absolute)
- e) expected price volatility of the Company's shares: 43%
- f) Dividend yield: 0%
- g) risk-free interest rate: 6.95% to 7.27%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

NOTE 45 - SEGMENT REPORTING

The Board of directors (BOD) is the Company's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the BOD for the purposes of allocating resources and assessing performance. Presently, the Company is engaged in only one segment viz 'Real estate and allied activities' and there is no separate reportable segment as per Ind AS 108 'Operating Segments'.

Entity wide disclosure

- (a) Information about product and services - The Company operates is a single category viz Real estate and allied activities.
- (b) Information in respect of geographical area - The Company has operations within India.
- (c) Information about major customer - Non of the customer contribute to more than 10% of total revenue of the Company.

Non-current assets excluding financial assets, current tax assets and deferred tax assets amounting to ₹ 4,059 (March 31, 2022: ₹ 3,539) are located entirely in India.

NOTE 46 - LIABILITIES FROM FINANCING ACTIVITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings (including interest accrued and lease liability)	45,795	81,323
Net Debt	45,795	81,323

Borrowings (including interest accrued and lease liability)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	81,323	73,233
Borrowings taken	45,754	56,324
Borrowings repaid	(81,397)	(48,668)
Lease liabilities	399	636
Lease liabilities repaid (including interest)	(308)	(240)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Borrowings (including interest accrued and lease liability) (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest expense recorded in profit and loss	5,760	7,277
Interest paid in cash	(5,727)	(7,239)
Conversion of optionally convertible debentures into equity shares (refer note 20)	(9)	-
Closing Balance	45,795	81,323

NOTE 47 - EARNINGS PER SHARE

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Basic		
Profit for the year	10,923	12,006
Weighted average number of equity shares outstanding	10,68,59,486	10,00,30,680
Earnings per Equity shares (Basic)	10.22	12.00
(b) Diluted		
Profit for the year	10,923	12,006
Add: Interest expenses on convertible debentures (net of tax)	-	1
Adjusted net profits for the year	10,923	12,007
Weighted average number of equity shares outstanding	10,68,59,486	10,00,30,680
Add: Weighted average number of potential shares on account of convertible debenture	-	9,113
Add: Weighted average number of potential shares on account of Employee stock option plan	43,186	-
Weighted average number of equity shares outstanding for the purpose of diluted EPS	10,69,02,672	10,00,39,793
Earnings per Equity shares (Diluted)	10.22	12.00
Nominal value per equity share (₹)	10	10

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 48 - RELATED PARTY TRANSACTIONS

I) Name of related parties and nature of relationship:

i) Where control exists

Subsidiaries:

Credence Property Developers Private Limited

Nouveau Developers Private Limited

Xcellent Realty Private Limited

Dynasty Infrabuilders Private Limited

Firestone Developers Private Limited

Rustomjee Realty Private Limited

Amaze Builders Private Limited

Intact Builders Private Limited

Navabhyudaya Nagar Development Private Limited

Keystone Infrastructure Private Limited

Kingmaker Developers Private Limited

Imperial Infradevelopers Private Limited

Enticier Realtors private limited

Flagranti Realtors Private Limited

Luceat Realtors Private Limited

Ferrum Realtors Private Limited

Keybloom Realty Private Limited (formerly known as Bloom Farmtech Private Limited) (w.e.f. October 12, 2021)

Keysky Realtors Private Limited (w.e.f. November 19, 2021)

Crest Property Solutions Private Limited (formerly known as Crest Property Solutions LLP) (w.e.f. March 31, 2022)

Riverstone Educational Academy Private Limited (w.e.f. April 22, 2022)

Keyblue Realtors Private Limited (w.e.f. February 09, 2022)

Keyheights Realtors Private Limited (w.e.f. February 09, 2022)

Keyspace Realtors Private Limited (w.e.f. March 03, 2022)

Key Galaxy Realtors Private Limited (w.e.f. March 08, 2022)

Key Interiors Realtors Private Limited (w.e.f. March 07, 2022)

Keysteps Realtors Private Limited (w.e.f. March 31, 2023)

Mirabile Realtors Private Limited (w.e.f. March 31, 2023)

Key Green Realtors Private Limited (w.e.f. March 31, 2023)

Keyorbit Realtors Private Limited (w.e.f. January 02, 2023)

Krishika Developers Private Limited (upto January 03, 2022)

Keyvihar Realtors Private Limited (w.e.f. January 02, 2023)

Limited Liability Partnership

Premium Buildtech LLP

Kapstar Realty LLP

Rebus Realtors LLP

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(ii) Other Related Parties with whom transactions have taken place during the year/closing balances existed at the year-end:

Key management personnel:

Mr. Boman Irani - Managing Director

Mr. Chandresh Mehta - Director

Mr. Percy Chowdhry - Director

Mr. Sajal Gupta - CFO

Joint Ventures:

Kapstone Constructions Private Limited

Toccatà Realtors Private Limited

Jyotirling Constructions Private Limited

Associates

Megacorp Constructions LLP

Krishika Developers Private Limited (w.e.f. January 04, 2022)

Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (upto March 30, 2022)

Entities in which Key Management personnel exercise significant influence:

Sweetly Property Developers Private Limited

Dreamz Dwellers LLP

Partum Realtors Private Limited

Charishma Developers Private Limited

Rustomjee Cambridge International

Sanguinity Realty Private Limited

Manprit Real Estate Private Limited

Rustomjee Knowledge City Private Limited

Parsn Builtwell Private Limited

Riverstone Educational Academy Private Limited (Up to April 21, 2022)

Viking Trust

Percy Chowdhry Family Trust

Chandresh Mehta Family Trust

Rustomjee Academy For Global Career Private Limited

Riverstone Developers Private Limited

(iii) Non executive director and independent director with whom transactions have taken place during the year:

Mr. Ramesh Tainwala - Independent Director (w.e.f. May 11, 2022)

Mr. Rahul Divan - Independent Director (w.e.f. May 11, 2022)

Ms. Seema Mohapatra - Independent Director (w.e.f. May 11, 2022)

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

II) Transactions with related parties

a) Key management personnel compensation

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term employee benefits*	1,228	489
Total	1,228	489

* As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to key management personnel are not included.

During the year ended March 31, 2023, the Company has granted 80,000 ESOP to key management personnel.

b) Transactions during the year

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Loan and Advance given			
Credence Property Developers Private Limited	Subsidiaries	4,085	242
Dynasty Infrabuilders Private Limited	Subsidiaries	3,418	1,663
Enticier Realtors Private Limited	Subsidiaries	408	-
Keyheights Realtors Private Limited	Subsidiaries	84	-
Flagranti Realtors Private Limited	Subsidiaries	-	*
Imperial Infradevelopers Private Limited	Subsidiaries	2,814	6,631
Intact Builders Private Limited	Subsidiaries	22	150
Xcellent Realty Private Limited	Subsidiaries	26	15
Keyspace Realtors Private Limited	Subsidiaries	261	-
Luceat Realtors Private Limited	Subsidiaries	-	2,025
Navabhyudaya Nagar Development Private Limited	Subsidiaries	25	83
Nouveau Developers Private Limited	Subsidiaries	66	80
Ferrum Realtors Private Limited	Subsidiaries	2,803	5
Keysky Realtors Private Limited	Subsidiaries	1,000	2,915
Keyblue Realtors Private Limited	Subsidiaries	1,708	-
Krishika Developers Private Limited	Associates	100	-
Firestone Developers Private Limited	Subsidiaries	67	-
Keystone Infrastructure Private Limited	Subsidiaries	4,992	Nil
Rebus Realtors LLP	Partnership	-	73
Premium Buildtech LLP	Limited Liability Partnership	80	100
Keybloom Realty Private Limited	Subsidiaries	1	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

b) Transactions during the year (Contd.)

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Key Galaxy Realtors Private Limited	Subsidiaries	9	-
Key Green Realtors Private Limited	Subsidiaries	46	-
Partum Realtors Private Limited	Relative(s)/ KMP/ Entity	-	80
Mirabile Realtors Private Limited	Subsidiaries	190	-
Charishma Developers Private Limited	Relative(s)/ KMP/ Entity	-	*
Riverstone Educational Academy Private Limited	Subsidiaries	528	501
Key Interiors Realtors Private Limited	Subsidiaries	4,665	-
Keyorbit Realtors Private Limited	Subsidiaries	288	-
2 Loan and Advance repaid			
Credence Property Developers Private Limited	Subsidiaries	6,444	1,595
Dynasty Infrabuilders Private Limited	Subsidiaries	2,829	1,840
Firestone Developers Private Limited	Subsidiaries	-	27
Intact Builders Private Limited	Subsidiaries	17	171
Imperial Infradevelopers Private Limited	Subsidiaries	480	4,452
Enticier Realtors Private Limited	Subsidiaries	4	-
Luceat Realtors Private Limited	Subsidiaries	501	561
Krishika Developers Private Limited	Associates	100	-
Ferrum Realtors Private Limited	Subsidiaries	177	5
Keysky Realtors Private Limited	Subsidiaries	50	*
Nouveau Developers Private Limited	Subsidiaries	46	-
Partum Realtors Private Limited	Relative(s)/KMP/Entity	32	80
Key Galaxy Realtors Private Limited	Subsidiaries	*	-
Keystone Infrastructure Private Limited	Subsidiaries	700	-
Key Interiors Realtors Private Limited	Subsidiaries	4,505	-
Sweety Property Developers Private Limited	Relative(s)/KMP/Entity	-	500
3 Loans and deposits taken			
Mr. Boman Irani	Key management personnel	-	1,445
Mr. Percy Chowdhry	Key management personnel	-	250
Mr. Chandresh Mehta	Key management personnel	-	500

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

b) Transactions during the year (Contd.)

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Ferrum Realtors Private Limited	Subsidiaries	180	3,995
Toccatà Realtors Private Limited	Joint venture	-	18,287
Sanguinity Realty Private Limited	Relative(s)/ KMP/ Entity	4,300	-
Dynasty Infrabuilders Private Limited	Subsidiaries	8	-
4 Loans and deposits repaid			
Ferrum Realtors Private Limited	Subsidiaries	3,770	405
Toccatà Realtors Private Limited	Joint venture	-	4,095
Mr. Boman Irani	Key management personnel	459	1,528
Mr. Percy Chowdhry	Key management personnel	435	-
Dynasty Infrabuilders Private Limited	Subsidiaries	8	-
Sanguinity Realty Private Limited	Relative(s)/ KMP/ Entity	2,950	-
Mr. Chandresh Mehta	Key management personnel	500	-
5 Revenue from projects			
Credence Property Developers Private Limited	Subsidiaries	-	3,023
Dreamz Dwellers LLP	Relative(s)/KMP/Entity	-	1,655
6 Rent income			
Parsn Builtwell Private Limited	Relative(s)/KMP/Entity	5	5
*Rustomjee Cambridge International	Relative(s)/KMP/Entity	98	62
7 Sale of material			
Credence Property Developers Private Limited	Subsidiaries	-	*
Kapstone Constructions Private Limited	Joint venture	-	4
Rustomjee Realty Private Limited	Subsidiaries	-	1
Sanguinity Realty Private Limited	Relative(s)/KMP/Entity	*	*
8 Interest income			
Imperial Infradevelopers Private Limited	Subsidiaries	1,118	651
Keystone Infrastructure Private Limited	Subsidiaries	377	1,257
Luceat Realtors Private Limited	Subsidiaries	374	396
Ferrum Realtors Private Limited	Subsidiaries	-	3
Kapstone Constructions Private Limited	Joint venture	2,901	2,901

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

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b) Transactions during the year (Contd.)

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Riverstone Educational Academy Private Limited	Subsidiaries	87	-
9 Interest expense			
Mr. Boman Irani	Key management personnel	55	79
Mr. Percy Chowdhry	Key management personnel	14	32
Mr. Chandresh Mehta	Key management personnel	7	27
Ferrum Realtors Private Limited	Subsidiaries	87	112
Viking Trust	Relative(s)/ KMP/ Entity	-	1
Chandresh Mehta Family Trust	Relative(s)/ KMP/ Entity	*	*
Sanguinity Realty Private Limited	Relative(s)/ KMP/ Entity	275	-
Percy Chowdhry Family Trust	Relative(s)/ KMP/ Entity	-	*
10 Purchase of material			
Rustomjee Realty Private Limited	Subsidiaries	-	*
Sanguinity Realty Private Limited	Relative(s)/ KMP/ Entity	-	1
11 Investment in equity shares during the year			
Ferrum Realtors Private Limited	Subsidiaries	-	*
Keybloom Realty Private Limited	Subsidiaries	-	1
Keysky Realtors Private Limited	Subsidiaries	-	*
Crest Property Solutions Private Limited	Subsidiaries/Associates	-	9
Keyblue Realtors Private Limited	Subsidiaries	-	*
Keyheights Realtors Private Limited	Subsidiaries	-	*
Keystone Infrastructure Private Limited	Subsidiaries	5,245	-
Key Interiors Realtors Private Limited	Subsidiaries	-	*
Riverstone Educational Academy Private Limited	Subsidiaries	1	-
Key Galaxy Realtors Private Limited	Subsidiaries	-	*
Keyspace Realtors Private Limited	Subsidiaries	-	*
Rebus Realtors LLP	Partnership	-	*
Keyorbit Realtors Private Limited	Subsidiaries	*	-
Keyvihar Realtors Private Limited	Subsidiaries	*	-

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b) Transactions during the year (Contd.)

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Key Green Realtors Private Limited	Subsidiaries	-	-
Key Steps Realtors Private Limited	Subsidiaries	-	-
Mirabile Realtors Private Limited	Subsidiaries	1	-
12 Investment in debentures & Preference Shares during the year			
Enticier Realtors Private Limited	Subsidiaries	134	-
Imperial Infradevelopers Private Limited	Subsidiaries	-	5,000
13 Redemption of debentures during the year			
Keystone Infrastructure Private Limited	Subsidiaries	3,436	-
14 Outsourced manpower cost			
Crest Property Solutions Private Limited	Subsidiaries/Associates	154	175
15 Security charges			
Crest Property Solutions Private Limited	Subsidiaries/Associates	5	23
16 Directors sitting fees and commission		62	-
17 Reimbursement of expenses			
Rustomjee Knowledge City Private Limited	Relative(s)/KMP/Entity	-	1
18 Salary Cost Allocation			
Luceat Realtors Private Limited	Subsidiaries	216	260
Dynasty Infrabuilders Private Limited	Subsidiaries	71	-
19 Corporate social responsibility expenditure			
*Rustomjee Cambridge International	Relative(s)/KMP/Entity	-	80
20 Guarantees given			
Luceat Realtors Private Limited	Subsidiaries	-	7,000
Dynasty Infrabuilders Private Limited	Subsidiaries	-	7,200
Rustomjee Realty Private Limited	Subsidiaries	-	16,500
Kapstone Constructions Private Limited	Joint venture	-	12,240
Keystone Infrastructure Private Limited	Subsidiaries	11,500	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

b) Transactions during the year (Contd.)

Partum Realtors Private Limited	Relative(s)/ KMP/ Entity	-	7,000
Ferrum Realtors Private Limited	Subsidiaries	3,300	-
21 Employee stock option			
Kapstone Constructions Private Limited	Joint venture	122	-
Rustomjee Realty Private Limited	Subsidiaries	23	-
Keystone Infrastructure Private Limited	Subsidiaries	30	-
Kingmaker Developers Private Limited	Subsidiaries	91	-
Luceat Realtors Private Limited	Subsidiaries	17	-
Crest Property Solutions Private Limited	Subsidiaries/Associates	8	-

c) Outstanding balances

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Loans given			
Credence Property Developers Private Limited	Subsidiaries	473	2,832
Dynasty Infrabuilders Private Limited	Subsidiaries	1,692	1,103
Firestone Developers Private Limited	Subsidiaries	527	460
Flagranti Realtors Private Limited	Subsidiaries	6	6
Imperial Infradevelopers Private Limited	Subsidiaries	6,866	4,532
Intact Builders Private Limited	Subsidiaries	32	27
Krishika Developers Private Limited	Associates	223	223
Luceat Realtors Private Limited	Subsidiaries	2,042	2,543
Navabhyudaya Nagar Development Private Limited	Subsidiaries	404	379
Nouveau Developers Private Limited	Subsidiaries	305	285
Xcellent Realty Private Limited	Subsidiaries	926	900
Enticier Realtors Private Limited	Subsidiaries	550	146
Keysky Realtors Private Limited	Subsidiaries	3,865	2,915

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

c) Outstanding balances (Contd.)

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Key Galaxy Realtors Private Limited	Subsidiaries	9	-
Keyheights Realtors Private Limited	Subsidiaries	84	-
Keyspace Realtors Private Limited	Subsidiaries	261	-
Keyblue Realtors Private Limited	Subsidiaries	1,708	-
Premium Buildtech LLP	Limited Liability Partnership	740	660
Kapstar Realty LLP	Partnership	200	200
Rebus Realtors LLP	Partnership	73	73
Riverstone Educational Academy Private Limited	Subsidiaries	1,029	501
Manprit Real Estate Private Limited	Relative(s)/KMP/Entity	24	24
Partum Realtors Private Limited	Relative(s)/KMP/Entity	-	32
Sweety Property Developers Private Limited	Relative(s)/KMP/Entity	256	256
Keystone Infrastructure Private Limited	Subsidiaries	4,292	-
Keybloom Realty Private Limited	Subsidiaries	1	-
Key Interiors Realtors Private Limited	Subsidiaries	160	-
Ferrum Realtors Private Limited	Subsidiaries	2,626	-
Megacorp Constructions LLP	Associates	308	308
Keyorbit Realtors Private Limited	Subsidiaries	288	-
Mirabile Realtors Private Limited	Subsidiaries	190	-
Keysteps Realtors Private Limited	Subsidiaries	3	-
Key Green Realtors Private Limited	Subsidiaries	98	-
2 Investment in Debenture & Preference Shares			
Kapstone Constructions Private Limited	Joint venture	29,007	29,007
Keystone Infrastructure Private Limited	Subsidiaries	-	3,436
Imperial Infradevelopers Private Limited	Subsidiaries	5,000	5,000
Enticier Realtors Private Limited	Subsidiaries	134	-
3 Trade receivables			
Kapstone Constructions Private Limited	Joint venture	4	4
Navabhyudaya Nagar Development Private Limited	Subsidiaries	-	*

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

c) Outstanding balances (Contd.)

Particulars	Relation	For the year ended March 31, 2023	For the year ended March 31, 2022
Nouveau Developers Private Limited	Subsidiaries	-	5
Credence Property Developers Private Limited	Subsidiaries	-	3,024
Sanguinity Realty Private Limited	Relative(s)/ KMP/ Entity	-	79
Luceat Realtors Private Limited	Subsidiaries	18	-
Rustomjee Cambridge International	Relative(s)/ KMP/ Entity	20	18
Parsn Builtwell Private Limited	Relative(s)/ KMP/ Entity	37	31
Dreamz Dwellers LLP	Relative(s)/ KMP/ Entity	170	168
4 Interest receivable on debentures			
Kapstone Constructions Private Limited	Joint venture	5,221	2,610
Keystone Infrastructure Private Limited	Subsidiaries	1,873	1,999
Imperial Infradevelopers Private Limited	Subsidiaries	780	240
5 Interest receivable on deposits			
Imperial Infradevelopers Private Limited	Subsidiaries	812	346
Ferrum Realtors Private Limited	Subsidiaries	-	3
Luceat Realtors Private Limited	Subsidiaries	824	488
Krishika Developers Private Limited	Associates	21	21
Riverstone Educational Academy Private Limited	Subsidiaries	79	-
6 Advances for supply of goods and services			
Rustomjee Academy For Global Career Private Limited	Relative(s)/ KMP/ Entity	1	1
Manprit Real Estate Private Limited	Relative(s)/ KMP/ Entity	20	20
7 Loans and deposits taken			
Mr. Boman Irani	Key management personnel	-	459
Mr. Percy Chowdhry	Key management personnel	-	435
Mr. Chandresh Mehta	Key management personnel	-	500
Sanguinity Realty Private Limited	Relative(s)/ KMP/ Entity	1,350	-
Ferrum Realtors Private Limited	Subsidiaries	-	3,590
Toccatà Realtors Private Limited	Joint venture	31,091	31,091
8 Trade payables			
Rustomjee Realty Private Limited	Subsidiaries	-	43
Sanguinity Realty Private Limited	Relative(s)/ KMP/ Entity	1	1
Crest Property Solutions Private Limited	Subsidiaries/Associates	65	184

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

c) Outstanding balances (Contd.)

9	Interest accrued but not due on borrowings			
	Mr. Boman Irani	Key management personnel	-	4
	Mr. Percy Chowdhry	Key management personnel	-	87
	Mr. Chandresh Mehta	Key management personnel	-	24
	Ferrum Realtors Private Limited	Subsidiaries	-	101
10	Security deposits towards rented premises			
	Rustomjee Cambridge International	Relative(s)/ KMP/ Entity	25	25
	Parsn Builtwell Private Limited	Relative(s)/ KMP/ Entity	10	10
11	Guarantees given			
	Credence Property Developers Private Limited	Subsidiaries	15,000	15,000
	Luceat Realtors Private Limited	Subsidiaries	7,000	7,000
	Dynasty Infrabuilders Private Limited	Subsidiaries	7,200	7,200
	Rustomjee Realty Private Limited	Subsidiaries	16,500	16,500
	Keystone Infrastructure Private Limited	Subsidiaries	19,000	7,500
	Kapstone Constructions Private Limited	Joint venture	12,240	12,240
	Partum Realtors Private Limited	Relative(s)/ KMP/ Entity	7,000	7,000
	Dreamz Dwellers LLP	Relative(s)/ KMP/ Entity	10,000	10,000
	Ferrum Realtors Private Limited	Subsidiaries	3,300	-
12	Other receivables			
	Kapstone Constructions Private Limited	Joint venture	122	-
	Rustomjee Realty Private Limited	Subsidiaries	23	-
	Keystone Infrastructure Private Limited	Subsidiaries	30	-
	Kingmaker Developers Private Limited	Subsidiaries	91	-
	Luceat Realtors Private Limited	Subsidiaries	17	-
	Crest Property Solutions Private Limited	Subsidiaries/Associates	8	-

For the personal guarantee given by directors for the loans availed by the Group companies (refer note 25).

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

d) Terms and conditions

Transactions were done in ordinary course of business and on normal terms and conditions:

Outstanding balances are unsecured and repayable in cash. Loan to related parties are interest free except for loan to Luceat Realtors Private Limited, Imperial Infradevelopers Private Limited and Riverstone Educational Academy Private Limited which carries interest rate of 9%-18%. The purpose for which loans are given (furtherance of business) are not considered prejudicial to the Company's interest.

NOTE-49 RATIOS ANALYSIS AND ITS ELEMENTS

Particulars	As at March 31, 2023	As at March 31, 2022	% change from March 31, 2022 to March 31, 2023	Reasons for significant variance in above ratio
Current Ratio	1.58	1.15	37.58%	Current ratio has improved due increase in current assets.
Debt-Equity Ratio	0.30	1.14	-73.88%	Net Debt Equity Ratio has improved due to increase in total equity on account of issue of additional shared during the year and reduction in borrowings.
Debt Service Coverage Ratio	0.20	0.35	-43.84%	Debt service coverage ratio decreased mainly on account of higher repayment of borrowings during the year.
Return on Equity Ratio	0.10	0.19	-46.96%	Return on equity is decreased mainly on account of increase in equity.
Inventory turnover ratio	0.13	0.50	-73.46%	Decrease in Inventory turnover ratio is mainly on account of decrease in cost of goods sold during the year.
Trade Receivables turnover ratio	5.75	18.00	-68.03%	Decrease in Trade Receivable Turnover Ratio is mainly on account of lower revenue recognised during the year.
Trade payables turnover ratio	1.93	2.32	-16.98%	Trade payables turnover ratio decreased mainly on account of increase in average trade payables.
Net capital turnover ratio	0.36	3.66	-90.30%	The ratio has decreased due to lower Revenue recognised during the year and increase in working capital.
Net profit ratio	0.33	0.14	136.10%	Higher gross margins as compare to previous year has resulted in improvement in the ratio.
Return on Capital employed	0.10	0.15	-31.72%	Return on capital employed is decreased mainly on account of increase in tangible net worth.
Return on investment	0.06	0.09	-30.99%	Return on investments is decreased mainly on account of increase in total assets.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Elements of Ratio

Ratios	Numerator	Denominator	As at March 31, 2023		As at March 31, 2022	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities (excluding Current Maturities of Long term Debt)	2,52,729	1,60,372	1,83,125	1,59,878
Debt-Equity Ratio	Debt (Borrowing)	Total Equity	45,179	1,51,515	80,864	70,822
Debt Service Coverage Ratio	Profit for the year + Finance cost + Depreciation	Interest + principal Repayment	17,158	87,432	19,621	56,147
Return on Equity Ratio	Profit for the year	Average Total Equity	10,923	1,11,169	12,006	64,812
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	18,152	1,36,847	66,495	1,33,038
Trade Receivables turnover ratio	Revenue from operation	Average trade receivable	32,806	5,701	85,136	4,730
Trade payables turnover ratio	Total Purchase	Average trade payable	51,145	26,559	50,183	21,636
Net capital turnover ratio	Revenue from operation	Current Assets - Current Liabilities (excluding Current Maturities of Long term Debt)	32,806	92,357	85,136	23,247
Net profit ratio	Profit for the year	Revenue from operation	10,923	32,806	12,006	85,136
Return on Capital employed	Profit Before Tax + Finance cost	Tangible Net Worth + Total debt - Deferred Tax Assets	20,401	1,94,668	22,885	1,49,094
Return on investment	Profit Before Tax + Finance cost	Total assets	20,401	3,22,078	22,885	2,49,341

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 50 - CONTINGENT LIABILITIES

DESCRIPTION	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debt		
Income tax matter (refer note 3 below)	1,957	4,983
Indirect tax matters (refer note 4 below)	330	42
Other matter (refer note 5 below)	375	375

Note

- It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Company has evaluated the impact of the Supreme Court (SC) judgement dated February 28, 2019 in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the Company believes that the aforesaid judgement does not have material impact on the Company. The Company will continue to monitor and evaluate its position based on future events and developments.
- The Company has ongoing disputes with direct tax authorities relating to tax treatment of certain items. These mainly include timing difference of expenses claimed, tax treatment of certain items of income/expense, etc.
- There are pending litigations relating to input tax credit matters including interest and penalties.
- Company is involved in certain legal and civil claims.

NOTE 51 - DUES TO MICRO AND SMALL ENTERPRISES

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act), The disclosure pursuant to the said act is as follows:

DESCRIPTION	As at and for the year ended March 31, 2023	As at and for the year ended March 31, 2022
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	58	69
b) Interest amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	2	*
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
d) Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
e) Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
g) Further interest remaining due and payable for earlier years.	*	-

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 52 - ASSETS PLEDGED AS SECURITY

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	1,751	4,629
Vehicles	131	-
In deposit accounts	463	359
In current and escrow accounts	360	866
Inventories	68,172	87,940
Total	70,877	93,794

NOTE 53 - IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS

Note 53.1 - Unsatisfied performance obligation

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue recognised that was included in the contract liabilities balance at the beginning of the period	7,180	58,189

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract price	34,018	85,136
Less: Discount/stamp duty	1,212	-
Revenue from operations	32,806	85,136

Note 53.2 - Disaggregation of revenue from contracts with customers

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Timing of recognition		Timing of recognition	
	At a point in time	Over time	At a point in time	Over time
Revenue from Operations	32,206	600	85,136	-

NOTE 54 - INTEREST WAIVER

The Company had invested in Series B Non Convertible Debenture (NCD) of a subsidiary Company (Keystone Infrastructure Private Limited); these debentures has been redeemed in full during the year. The Company has waived off the interest accrued thereon of ₹ 378. (March 31, 2022 ₹ 1,258) which has been accounted as notional income as per Ind AS 109 and debited to the deemed investment in subsidiary.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 55 - PROVISION FOR FORSEEABLE LOSS

The cost to complete estimates reflect foreseeable loss of ₹ 445 (March 31, 2022: ₹ 1,522) on a project of the Company. The differential of ₹ 1,076 represents reversal of foreseeable loss provision, considering improvement in net realisable value in said project and which is recognised as an income during the year in standalone statement of profit and loss.

Further, on account of aforesaid change, Changes in inventories of completed saleable units and construction work-in-progress includes reversal of provision for inventories (net realisable value) amounted to ₹ 1,255 (March 31, 2022: ₹ 3,347).

NOTE 56 - INTEREST IN OTHER ENTITIES

Details of Company's interest in other entities is as follows:

NAME OF ENTITY	Ownership/Economic Interests	
	As at March 31, 2023	As at March 31, 2022
Joint controlled entities		
Rustomjee Evershine Joint Venture	50%	50%
Fortune Partners	75%	75%
Lok fortune JV (through fortune partners)	45%	45%

The country of incorporation of above entities is in India.

Significant judgement: classification of joint arrangements

The Company has entered into Partnership firms/Association of person whose legal form confers separation between the parties to the joint arrangement and the Company itself. Also, as per the contractual arrangements, the parties to the joint arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Accordingly the Joint arrangements have been identified as Joint controlled entities.

Financial impact of joint controlled entities

The Company accounts for assets, liabilities, revenue and expenses relating to its interest in joint controlled entities based on the internal agreements/arrangements entered into between the parties to the joint arrangements for execution of projects. Accordingly the Company has recognised revenue from operations ₹ 873 (March 31, 2022: ₹ 823), total expenditure (including tax) ₹ 879 (March 31, 2022: ₹ 809), total assets as at March 31, 2023: ₹ 13,140 (March 31, 2022: ₹ 12,388), total liabilities as at March 31, 2023: ₹ 5,275 (March 31, 2022: ₹ 4,993) and profit of March 31, 2023: ₹ 51 (March 31, 2022: ₹ 284).

NOTE 57 - EVENTS OCCURRING AFTER THE REPORTING PERIOD

Subsequent to year end, the National Company Law Tribunal (NCLT) has approved the scheme of amalgamation of Toccata Realtors Private Limited with the Company ("the scheme"). The certified copy of the order is awaited. Considering amalgamation is not a business combination as per Ind AS 103 "Business combinations", the impact of the same will be given from the effective date as defined in the scheme.

NOTE 58 - PRIVATE PLACEMENT

The Company has entered into Securities Subscription and Shareholders' Agreement (SSHA) dated May 09, 2022 with HDFC Capital Affordable Real Estate Fund – 3, One-UP Financial Consultants Private Limited, Jagdish Naresh Master, Mahima Stocks Private Limited, IIFL Special Opportunities Fund - Series 9 and IIFL Special Opportunities Fund - Series 10 to subscribe to equity shares of the Company aggregating to ₹ 17,000 comprising of 3,404,412 equity shares of face value of ₹ 10 each and securities premium of ₹ 489.35 each through a private placement. In respect of aforesaid issue the Company has incurred ₹ 284 as share issue expenses which has been adjusted to securities premium.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 59 - COMPLETION OF INITIAL PUBLIC OFFER (IPO)

During the year ended March 31, 2023, the Company has completed its IPO of 11,737,521 equity shares of face value of ₹ 10 each at an issue price of ₹ 541 per share aggregating to ₹ 63,500, comprising of fresh issue of 10,351,201 shares aggregating to ₹ 56,000 and offer for sale of 1,386,320 shares by selling shareholders aggregating to ₹ 7,500. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 24, 2022.

In respect of the aforesaid IPO, the Company has incurred ₹ 4,030 as share issue expenses, which has been allocated between the Company and selling shareholders, in proportion to the proceeds of the IPO received by the Company and respective selling shareholders. The Company's share of expenses amounting to ₹ 3,554 has been adjusted to securities premium and that of selling shareholders amounting to ₹ 476 were netted off from their proceeds of IPO.

NOTE 60 - UTILISATION OF IPO PROCEEDS

The Company has received an amount of ₹ 52,446 (net of share issue expenses of ₹ 3,554) from proceeds out of fresh issue of equity shares. The utilisation of Net IPO Proceeds is summarised as below:

Particulars	Amount Received	Utilised upto March 31, 2023	Unutilised as on March 31, 2023
Repayment/prepayment, in full or part, of certain borrowings availed by the Company alongwith its subsidiaries*	34,160	34,160	-
Funding acquisition of future real estate projects and general corporate purposes	18,286	2,455	15,831
Total	52,446	36,615	15,831

*Unutilised IPO proceeds of ₹ 14,500 is invested in term deposits with a bank and ₹ 1,331 Lakhs is kept in current bank accounts, pending utilisation for the intended purpose.

NOTE 61 - ADDITIONAL REGULATORY INFORMATION

i) Details of Benami property Held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) Borrowings secured against current assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets, also refer note 52. However, there are no requirements of filing quarterly returns or statements with banks as per the terms of relevant agreements.

iii) Wilful Defaulter

The Company has never been declared as wilful defaulter by any bank or financial institution or government or any government authority.

iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year (refer note 57).

vii) Utilisation of borrowed funds and share premium

Except as detailed below, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the ultimate beneficiaries.

Name of intermediary	Amount of loan given	Date of loan given to intermediary/Date of amount further loaned to beneficiary	Name of ultimate beneficiary	Amount further loaned by intermediary to the ultimate beneficiary
Riverstone Educational Academy Private Limited	550	Various dates during the financial year 2022-23	Mt K Kapital Private Limited	550

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- 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.

viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

xii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

xiii) Title deed of immovable properties

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3, note 4 and note 5 to the standalone financial statements, are held in the name of the Company.

Notes to the Standalone Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 62 - Previous year figures have been regrouped/reclassified, wherever necessary to conform to current year classification.

NOTE 63 - All amounts in Financial statement are rounded off to ₹ Lakhs. Amount below rounding off norms are reported as *

These are the notes referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553

Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors of
Keystone Realtors Limited
(formerly known as **Keystone Realtors Private Limited**)
CIN: L45200MH1995PLC094208

Boman Irani
Managing Director
DIN: 00057453

Sajal Gupta
Chief Financial Officer

Mumbai
Date: May 22, 2023

Chandresh Mehta
Director
DIN: 00057575

Bimal Nanda
Company Secretary
Membership No.: 11578

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
 Report on the Audit of the Consolidated Financial Statements

OPINION

1. We have audited the accompanying consolidated financial statements of **Keystone Realtors Limited** (Formerly known as Keystone Realtors Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate companies, jointly controlled entities and joint ventures (refer Note 59 to the consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate companies, jointly controlled entities and joint ventures as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive loss),

consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group, its associate companies, jointly controlled entities and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 13 and 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.
4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition from Contract with Customers</p> <p>(Refer Note 1(e) and 33 to the consolidated financial statements)</p> <p>In accordance with the requirements of Ind AS 115 'Revenue from contract with customers', revenue from sale of residential units are recognised at a point in time or over time based on the contract entered with the customers.</p>	<p>Our audit procedures in relation to management's assessment of revenue recognition includes following:</p> <ul style="list-style-type: none"> • Read the Holding Company's revenue recognition accounting policies and assessed compliance with Ind AS 115 'Revenue from contract with customers'. • Understood and evaluated the design and implementation and tested the operating effectiveness of the Company's internal financial controls over revenue recognition.

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
Report on the Audit of the Consolidated Financial Statements

Key audit matter	How our audit addressed the key audit matter
Revenue recognition from Contract with Customers	
<p>Significant judgement is required in identifying the performance obligations and determining when 'control' of the residential units is transferred to the customer. Further, the Holding Company assesses various conditions included in the contract with customer to identify whether the Holding Company has unconditional right to payment for performance to date or not. Based on this revenue is recognised at point in time or over time.</p> <p>Considering the above-mentioned factors, revenue recognition has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> • Obtained and read the customer contracts on a sample basis and evaluated the management assessment with respect to satisfaction of performance obligations at a point in time or over time and that revenue is recognised in accordance with the accounting policy. • Tested sales transaction during the year on a sample basis, by examining the underlying customer contracts and final demand letter evidencing the transfer of control of the residential unit to the customer along with occupation certificate based on which revenue is recognised. • Assessed the appropriateness and adequacy of revenue-related disclosures in accordance with applicable accounting standards. <p>Based on the above procedures performed, we considered the management's assessment of recognition of revenue to be reasonable.</p>
Assessment of net realisable value (NRV) of inventories	
<p>(Refer Note 1(l) and 12 to the consolidated financial statements).</p> <p>The Holding Company's inventory comprises completed real estate units, construction work in progress of ongoing projects and land, and are stated at the lower of cost and NRV. As at March 31, 2023 the carrying value of inventories is ₹ 257,035 Lakhs (refer note 12 to the consolidated financial statements).</p> <p>NRV determination involves estimates based on prevailing market conditions, current prices, the estimated future selling price, cost to complete projects and selling costs.</p> <p>Considering the significance of the carrying value of inventories in the consolidated financial statements and the involvement of significant estimation and judgement in assessment of NRV, the same has been considered as a key audit matter.</p>	<p>Our audit procedures in relation to management's assessment of valuation of inventories at lower of cost and NRV includes following:</p> <ul style="list-style-type: none"> • Read and evaluated the accounting policies with respect to inventories. • Understood and evaluated the design and implementation and tested the operating effectiveness of the Company's internal financial controls over valuation of inventories. • Tested on a sample basis that inventories are held at the lower of cost and NRV, by comparing cost of inventory and estimated cost to complete the project with corresponding selling price or the estimated future selling price by reference to recent market prices in the same projects or comparable properties, net of selling cost. • Assessed the appropriateness and adequacy of the inventory related disclosures in accordance with applicable accounting standards and applicable financial reporting framework in the standalone financial statements. <p>Based on the above procedures performed, we considered the management's assessment of valuation of inventories at lower of cost and NRV to be reasonable.</p>

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
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Key audit matter	How our audit addressed the key audit matter
Assessing impairment of Investments in and loans given to joint ventures, associates and other related parties	
<p>(Refer Note 7 and 17 to the consolidated financial statements).</p> <p>As at March 31, 2023, the carrying values of Holding Company's investment in joint ventures and associates is amounting to ₹ 54,753 Lakhs. Further, the Holding Company has granted loans to its associates and other related parties amounting to ₹ 13,388 Lakhs as at March 31, 2023 (Refer note 17 to the consolidated financial statements).</p> <p>Management reviews regularly whether there are any indicators of impairment of the investments by reference to the requirements under Ind AS 36 "Impairment of Assets". For cases where impairment indicators exist, management estimates the recoverable amounts. An impairment loss is recognised if the recoverable amount is lower than the carrying value. The recoverable amount is determined based on the higher of value in use and fair value less costs to sell.</p> <p>In respect of loans, the management performs the credit risk assessment for each loan by assessing whether the borrower has a financial capability to meet its cash flow obligations.</p> <p>Significant judgements are required to determine the key assumptions used in determination of recoverable amount or forecast cash flow of borrowers which includes estimation of expected selling price, cost to complete the project and discount rate.</p> <p>The assessment of the recoverable amounts requires the use of significant judgements and estimates, and thus same has been considered as a key audit matter.</p>	<p>Our audit procedures in relation to management's impairment assessment of investments and loans in joint ventures, associates and other related parties includes following:</p> <ul style="list-style-type: none"> • Read and evaluated the accounting policies with respect to impairment. • Understood and evaluated the design and implementation and testing operating effectiveness of controls over the Company's process of impairment assessment. • Tested samples of investment made and loans granted by the Holding Company and assessed the financial condition of entities in whom the investments were made or loans were granted by obtaining the most recent audited financial statements of such entities. • Performed inquiries with management on the project status and tested future business plan of entities in whom investments were made or to whom loans were granted to evaluate their recoverability. • Assessed the appropriateness of the Holding Company's valuation methodology and model used to determine the recoverable amount. • Tested reasonableness of assumptions such as expected selling price, cost to complete the project and discount rate based on current economic and market conditions used for determining the recoverable amount/financial capability and performed a sensitivity analysis over key assumptions used in determining the recoverable amount. • Assessed the appropriateness and adequacy of the disclosures made by the management in respect of such investments and loans in joint ventures, associates and other related parties. <p>Based on the above procedures performed, we considered the management's impairment assessment of investments and loans in joint ventures, associates and other related parties to be reasonable.</p>

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
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OTHER INFORMATION

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate companies, jointly controlled entities and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate companies, jointly controlled entities and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate companies, jointly controlled entities and joint ventures are responsible for assessing the ability of the Group and of its associate companies, jointly controlled entities and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate companies, jointly controlled entities and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associate companies, jointly controlled entities and joint ventures.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) Report on the Audit of the Consolidated Financial Statements

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - 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 Holding Company has adequate internal financial controls with reference to consolidated 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 ability of the Group and its associate companies, jointly controlled entities and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate companies, jointly controlled entities and joint ventures to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate companies, jointly controlled entities and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

13. We did not audit the financial statements of 31 subsidiaries and 3 jointly controlled entities whose financial statements reflect total assets of ₹ 122,781 Lakhs and net assets of ₹ 4,932 Lakhs as at March 31, 2023, total revenue of ₹ 9,091 Lakhs, total net loss after tax of ₹ 1,320 Lakhs, total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 1,319 Lakhs and cash inflows (net) amounting

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
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to ₹ 1,193 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit for the year of ₹ 122 Lakhs and total comprehensive income (comprising of profit and other comprehensive income) of ₹ 122 Lakhs for the year ended March 31, 2023 as considered in the consolidated financial statements, in respect of 2 associate companies and 2 joint ventures whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, jointly controlled entities and associate companies and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, joint ventures, jointly controlled entities and associate companies, is based solely on the reports of the other auditors.

14. We did not audit the financial statements of 1 subsidiary whose financial statements reflect total assets of ₹ 1,070 Lakhs and net assets of ₹ (306) Lakhs as at March 31, 2023, total revenue of ₹ Nil, total net loss after tax of ₹ 290 Lakhs, total comprehensive loss (comprising of loss and other comprehensive income) of ₹ 290 Lakhs and cash inflows (net) amounting to ₹ 4 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies, jointly controlled entities and joint ventures incorporated in India, none of the

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) Report on the Audit of the Consolidated Financial Statements

directors of the Group companies, its associate companies, jointly controlled entities and joint ventures incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associate companies, jointly controlled entities and joint ventures - Refer Note 50 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts as at March 31, 2023 - Refer Note 55 to the consolidated financial statements in respect of such items as it relates to the Group, its associate companies, jointly controlled entities and joint ventures. The Group, its associates, joint ventures and jointly controlled entities did not have any derivative contracts as at March 31, 2023.
 - iii. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies, jointly controlled entities and joint ventures incorporated in India.
- iv. (a) The respective Managements of the Company and its subsidiaries, associate companies, jointly controlled entities and joint ventures, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate companies, jointly controlled entities and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries, associate companies, jointly controlled entities and joint ventures 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries, associate companies, jointly controlled entities and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 65(vii) to the consolidated financial statements).
- (b) The respective Managements of the Company and its subsidiaries, associate companies, jointly controlled entities and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associate companies, jointly controlled entities and joint ventures respectively that,

Independent Auditor's Report

To the Members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited)
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to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries, associate companies, jointly controlled entities and joint ventures from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries, associate companies, jointly controlled entities and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer note 65(vii) to the consolidated financial statements).

- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries, associates, joint venture and jointly controlled entities which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused

us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The Holding Company, its subsidiary companies, associate companies, jointly controlled entities and joint ventures, has not declared or paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group, associate companies, joint ventures, and jointly controlled entities, is applicable to the Group, associate companies, jointly controlled entities and joint ventures only with effect from financial year beginning April 01, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
17. The Holding Company had paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. In respect of associate companies, jointly controlled entities and joint ventures provisions of Section 197 read with Schedule V to the Act are not applicable.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNC9951

Place: Mumbai
Date: May 22, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 16 (f) of the Independent Auditor's Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies, jointly controlled entities and joint ventures, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to 26 subsidiaries, 2 associates, 3 jointly controlled entities and 1 joint venture and incorporated in India (Refer Annexure A), pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, associate companies, jointly controlled entities and joint ventures, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") 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 respective Company's policies, the safeguarding of its assets, the prevention

and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Annexure A to Independent Auditor's Report

Referred to in paragraph 16 (f) of the Independent Auditor's Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the consolidated financial statements for the year ended March 31, 2023

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A Company's internal financial control 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 control 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

7. 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

8. In our opinion, the Holding Company, its subsidiary companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 6 subsidiaries and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNNC9951

Place: Mumbai
Date: May 22, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 16 (f) of the Independent Auditor's Report of even date to the members of Keystone Realtors Limited (Formerly known as Keystone Realtors Private Limited) on the consolidated financial statements for the year ended March 31, 2023

ANNEXURE A

Subsidiaries

1. Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP)
2. Nouveau Developers Private Limited
3. Firestone Developers Private Limited
4. Premium Build Tech LLP
5. Mt K Kapital Private Limited
6. Rebus Realtors LLP
7. Kapstar Realty LLP
8. Xcellent Realty Private Limited
9. Intact Builders Private Limited
10. Amaze Builders Private Limited
11. Kingmaker Developers Private Limited
12. Navabhyudaya Nagar Development Private Limited
13. Enticier Realtors Private Limited
14. Key Galaxy Realtors Private Limited
15. Keyblue Realtors Private Limited
16. Keyheights Realtors Private Limited
17. Key Interiors Realtors Private Limited
18. Flagranti Realtors Private Limited
19. Keyspace Realtors Private Limited
20. Riverstone Educational Academy Private Limited
21. Keybloom Realty Private Limited (Formerly known as Bloom Farmtech Private Limited)
22. Keyorbit Realtors Private Limited
23. Keyvihar Realtors Private Limited
24. Keysteps Realtors Private Limited
25. Key Green Realtors Private Limited
26. Mirabile Realtors Private Limited

Associates

1. Krishika Developers Private Limited
2. Megacorp Constructions LLP

Joint Ventures

1. Jyotirling Constructions Private Limited

Jointly Controlled Entities

1. Fortune Partners
2. Rustomjee Evershine Joint Venture
3. Lok Fortune Joint Venture

Consolidated Balance Sheet

as at March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	850	333
Right-of-use assets	4	584	435
Investment properties	5	922	963
Goodwill	6	1,579	1,579
Other intangible assets	6	4	15
Investments accounted for using the equity method	7	54,753	56,412
Financial assets			
i. Investments	8	9,023	29
ii. Other financial assets	9	2,891	2,557
Current tax assets (net)	10	6,614	6,432
Deferred tax assets (net)	41	4,086	3,857
Other non-current assets	11	764	1,011
Total non-current assets		82,070	73,623
Current assets			
Inventories	12	2,57,035	2,25,431
Financial assets			
i. Investments	13	443	1,069
ii. Trade receivables	14	6,164	11,358
iii. Cash and cash equivalents	15	36,234	5,972
iv. Bank balances other than (iii) above	16	4,981	17,408
v. Loans	17	27,844	26,198
vi. Other financial assets	18	14,372	8,532
Other current assets	19	22,374	18,093
Total current assets		3,69,447	3,14,061
Total assets		4,51,517	3,87,684
EQUITY AND LIABILITIES			
Equity			
Equity share capital	20(a)	11,388	10,003
Other equity			
Reserves and surplus	20(b)	1,55,553	83,261
Total equity attributable to owners of the parent		1,66,941	93,264
Non-controlling interests	59	1,732	3,051
Total equity		1,68,673	96,315
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	21	10,271	14,243
ii. Lease liabilities	22	296	249
iii. Trade payables	23	-	-
a) Total outstanding dues of micro and small enterprises		-	-
b) Total outstanding dues of creditors other than (iii)(a) above		669	304
iv. Other financial liabilities	24	18,468	19,326
Provisions	25	173	270
Total non-current liabilities		29,877	34,392
Current liabilities			
Financial liabilities			
i. Borrowings	26	92,138	1,41,553
ii. Lease liabilities	27	320	210
iii. Trade payables	28	-	-
a) Total outstanding dues of micro and small enterprises		161	156
b) Total outstanding dues of creditors other than (iii)(a) above		35,125	30,356
iv. Other financial liabilities	29	7,553	7,279
Provisions	30	1,453	2,501
Current tax liabilities (net)	31	682	2,419
Other current liabilities	32	115,535	72,503
Total current liabilities		2,52,967	2,56,977
Total liabilities		2,82,844	2,91,369
Total equity and liabilities		4,51,517	3,87,684

The above consolidated balance sheet should be read in conjunction with accompanying notes.

This is the Consolidated Balance sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
Keystone Realtors Limited
CIN: U45200MH1995PLC094208

Priyanshu Gundana
Partner
Membership No.: 109553

Boman Irani
Managing Director
DIN: 00057453

Chandresh Mehta
Director
DIN: 00057575

Mumbai
Date: May 22, 2023

Sajal Gupta
Chief Financial Officer

Bimal Nanda
Company Secretary
Membership No.: 11578

Mumbai
Date: May 22, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Note	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Income			
Revenue from operations	33	68,566	126,937
Other income	34	3,924	3,355
Gain on loss of control of subsidiary	57	-	5
Total income		72,490	1,30,297
Expenses			
Construction costs	35	75,101	1,05,618
Changes in inventories of completed saleable units and construction work- in-progress	36	(31,330)	(6,745)
Employee benefit expense	37	4,556	2,837
Depreciation and amortisation expense	38	464	346
Finance costs	39	3,596	2,296
Other expenses	40	9,855	7,292
Total expenses		62,242	1,11,644
Profit before share of profit/(loss) of associates and joint ventures and tax		10,248	18,653
Share of profit/(loss) of associates and joint venture accounted for using the equity method (net of taxes)	59	524	(215)
Profit before tax		10,772	18,438
Income tax expense			
- Current tax	41	3,043	4,837
- Deferred tax	41	(221)	18
Total tax expense		2,822	4,855
Profit after tax for the year		7,950	13,583
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	46	(24)	22
Share of other comprehensive income of joint ventures and associates accounted for using the equity method (net of taxes)	59	6	12
Income tax relating to above items	41	6	(4)
Other comprehensive income/(loss), net of tax		(12)	30
Total comprehensive income for the year		7,938	13,613
Profit for the year is attributable to:			
Owners of the parent		8,195	13,962
Non controlling interest		(245)	(379)
		7,950	13,583
Other comprehensive income/(loss) for the year is attributable to:			
Owners of the parent		(12)	28
Non controlling interest		-	2
		(12)	30
Total comprehensive income/(loss) for the year is attributable to:			
Owners of the parent		8,183	13,990
Non controlling interest		(245)	(377)
		7,938	13,613
Earnings per share (face value of ₹ 10 each attributable to the owners of parent (in ₹))			
Basic earnings per share	49	7.67	13.96
Diluted earnings per share	49	7.67	13.96

* Amount below rounding off norms adopted by the Company.

The above consolidated statement of profit and loss should be read in conjunction with accompanying notes.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
Keystone Realtors Limited
CIN: U45200MH1995PLC094208

Priyanshu Gundana
Partner
Membership No.: 109553

Boman Irani
Managing Director
DIN: 00057453

Chandresh Mehta
Director
DIN: 00057575

Mumbai
Date: May 22, 2023

Sajal Gupta
Chief Financial Officer

Bimal Nanda
Company Secretary
Membership No.: 11578

Mumbai
Date: May 22, 2023

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flows from operating activities		
Profit before tax	10,772	18,438
Adjustments for:		
Share of (profits)/losses of associates and joint ventures	(524)	215
Depreciation and amortisation	476	358
Finance costs	13,732	14,712
Reversal for foreseeable loss	(1,076)	(1,445)
Interest income	(2,288)	(1,418)
Rental Income	(103)	(85)
Gain on loss of control of subsidiary	-	(5)
Employee stock option expense	409	-
Impairment loss on financial assets	342	25
Operating profit before working capital changes	21,740	30,795
Changes in working capital:		
(Decrease)/increase in other non-current financial liabilities	(1,398)	1,583
(Decrease)/Increase in provisions	(93)	55
Increase in trade payables	5,122	6,769
Increase/(decrease) in other current financial liabilities	237	(978)
Increase/(decrease) in other current liabilities	43,062	(30,975)
(Increase)/decrease in other financial assets	(3,482)	3,670
Increase in other assets	(3,475)	(4,927)
Increase in inventories	(31,322)	(6,917)
Decrease/(increase) in trade receivables	5,194	(7,085)
Cash generated from/(used in) operations	35,585	(8,010)
Taxes paid (net of refunds)	(4,970)	(2,945)
Net cash inflow/(outflow) from operating activities	30,615	(10,955)
B. Cash flows from investing activities		
Loan repaid during the year	217	2,437
Loan given during the year	(2,709)	(12,597)
Purchase of property, plant and equipment	(677)	(36)
Purchase of Investments	(12,040)	(626)
Cash disposed on account of loss of control (refer note 57)	-	(24)
Cash acquired net of consideration paid on acquisition of subsidiary (refer note 58)	29	188
Proceeds from sale/redemption of Investments	3,672	68
Bank deposits placed	(9,144)	(32,940)
Bank deposits matured	20,152	25,217
Net decrease in other current bank balances (other than bank deposits)	1,150	2,413
Interest received	1,913	2,019
Rental income received	103	114
Net cash inflow/(outflow) from investing activities	2,666	(13,767)
C. Cash flows from financing activities		
Equity shares issued (net of share issue expenses)	69,162	-
Transactions with non-controlling interest	(5,242)	-
Proceeds from borrowings	71,493	95,935
Repayment of lease liabilities (including interest)	(308)	(240)
Repayment of borrowings	(1,18,308)	(61,600)
Finance costs paid	(19,816)	(18,698)
Net cash (outflow)/inflow in financing activities	(3,019)	15,397
Net decrease in cash and cash equivalents (A+B+C)	30,262	(9,325)
Cash and cash equivalents at the beginning of the year	5,972	15,297
Cash and cash equivalents at the end of the year	36,234	5,972

Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Non-cash financing and investing activities

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Debentures converted from 15% Optionally convertible debentures into fully paid up equity shares of ₹ 10 each (refer note 21)	9	-
Right of use Assets	413	653

Reconciliation of cash and cash equivalents as per the consolidated statement of cash flows

Cash and cash equivalents comprise of the following: (refer note 15)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	75	86
Balances with banks in current accounts	9,695	5,701
Deposit with maturity of less than 3 months	26,464	185
Cash and cash equivalents at the end of the year	36,234	5,972

Also refer note 48 for non-cash financing activities.

The above consolidated statement of cash flows should be read in conjunction with accompanying notes.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
Keystone Realtors Limited
CIN: U45200MH1995PLC094208

Priyanshu Gundana
Partner
Membership No.: 109553

Boman Irani
Managing Director
DIN: 00057453

Chandresh Mehta
Director
DIN: 00057575

Mumbai
Date: May 22, 2023

Sajal Gupta
Chief Financial
Officer

Bimal Nanda
Company Secretary
Membership No.: 11578

Mumbai
Date: May 22, 2023

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount
As at March 31, 2021	10,003
Changes in equity share capital	-
As at March 31, 2022	10,003
Changes in equity share capital	1,385
As at March 31, 2023	11,388

B. OTHER EQUITY

Particulars	Attributable to the owners of the parent						Total other equity	Non-controlling interests	Total	
	Note	Reserves and surplus								
		Securities premium	Employee stock option outstanding	Retained earnings	Capital reserve	General reserves				Debenture redemption reserve
Balance as at March 31, 2021		12,738	-	32,835	1,110	23,083	322	70,088	2,293	72,381
Profit/(loss) for the year		-	-	13,962	-	-	-	13,962	(379)	13,583
Other Comprehensive Income		-	-	28	-	-	-	28	2	30
Total comprehensive income for the year		-	-	13,990	-	-	-	13,990	(377)	13,613
Transferred from Debenture redemption reserve to Retained earnings		-	-	217	-	-	(217)	-	-	-
Gain on modification in terms of borrowings	64	-	-	(845)	-	-	-	(845)	845	-
Adjustment on account of acquisition of subsidiary	58	-	-	-	28	-	-	28	156	184
Adjustment on account of loss of control	57	-	-	-	-	-	-	-	6	6
Share application money pending allotment	56	-	-	-	-	-	-	-	128	128
Balance as at March 31, 2022		12,738	-	46,197	1,138	23,083	105	83,261	3,051	86,312
Profit/(loss) for the year		-	-	8,195	-	-	-	8,195	(245)	7,950
Other comprehensive income		-	-	(12)	-	-	-	(12)	-	(12)
Total comprehensive income for the year		-	-	8,183	-	-	-	8,183	(245)	7,938
Transferred from Debenture redemption reserve to Retained earnings		-	-	79	-	-	(79)	-	-	-
Amount received on issue of shares (net of expenses)	61, 62	67,786	-	-	-	-	-	67,786	-	67,786
Gain on modification in terms of borrowings	64	-	-	(131)	-	-	-	(131)	131	-
Adjustment on account of acquisition of subsidiary	58	-	-	-	-	-	-	-	(3)	(3)
Acquisition of Non-controlling interest	59	-	-	(4,168)	-	-	-	(4,168)	(1,074)	(5,242)
Transferred from Debenture redemption reserve to General reserve		-	-	-	-	2	(2)	-	-	-
Employee stock option expense	46	-	622	-	-	-	-	622	-	622
Others		-	-	-	-	-	-	-	(128)	(128)
Balance as at March 31, 2023		80,524	622	50,160	1,138	23,085	24	1,55,553	1,732	1,57,285

* Amount below rounding off norms adopted by the Company.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai
Date: May 22, 2023

Boman Irani
Managing Director
DIN: 00057453
Sajal Gupta
Chief Financial Officer

Mumbai
Date: May 22, 2023

For and on behalf of the Board of Directors of
Keystone Realtors Limited
CIN: U45200MH1995PLC094208

Chandresh Mehta
Director
DIN: 00057575
Bimal Nanda
Company Secretary
Membership No.: 11578

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Annexure V- Basis of Preparation, Significant Accounting Policies

BACKGROUND

Keystone Realtors Limited (formerly known as Keystone Realtors Private Limited) ('the Company') is a public limited Company. It is incorporated and domiciled in India and has its registered office at 702, Natraj, M V Road Junction, Andheri East, Mumbai 400 069.

The Company is incorporated since November 06, 1995 and is engaged primarily in the business of real estate constructions, development and other related activities in India.

The Company together with its subsidiaries is hereinafter referred to as the 'Group'. These consolidated financial statements were approved for issue by the Board of Directors on May 22, 2023

The Company was converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extra ordinary general meeting of the shareholders of the Company held on April 28, 2022 and consequently the name of the Company was changed to Keystone Realtors Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on May 06, 2022.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied to all the years presented. These consolidated financial statements are for the Group consisting of **Keystone Realtors Limited** and its subsidiaries (collectively referred to as "Group"), its jointly controlled operations, joint ventures and associates.

(a) Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time and other relevant provisions of the Act.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and financial liabilities are measured at fair value;

- defined benefit plans - plan assets measured at fair value;
- share based payment measured at fair value.

(iii) Current - non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 4 years for the purpose of current - non-current classification of assets and liabilities relating to ongoing projects. Operating cycle for all other purpose including completed projects is based on 12 months period.

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated statement of assets and liabilities respectively.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has both joint ventures and joint operations.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements in the appropriate headings. Details of the joint operations are set out in note 64.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated statement of assets and liabilities.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

(v) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as

transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity (note 64).

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Board of Directors of the Company has been identified as the CODM as they assess the financial performance and position of the Group, and makes strategic decisions.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements for each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements is presented in Indian rupee (INR), which is Keystone Realtors Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. A monetary

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

(e) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Group presents revenue from contracts with customers net of indirect taxes in its Consolidated Statement of Profit and Loss. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangement

Income from Property development

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The Group satisfies a performance obligation and recognise the revenue over the time if the Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date basis the agreement entered with customers, otherwise revenue is recognized point in time. The revenue from real estate development of residential unit is recognised at the point in time, when the control of the asset is transferred to the customer and the performance obligation is satisfied i.e on transfer of legal title of the residential unit, receipt of occupation certificate and final demand letter issued to the customers which generally occurs on completion of project.

The Group becomes entitled to invoice customers for construction of residential and commercial properties based on achieving a series of construction-linked milestones. When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when the Group has the right to consideration that is unconditional. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due

(whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

The Group recognizes incremental costs for obtaining a contract as an asset and such costs are charged to the Consolidated Statement of Profit and Loss when revenue is recognised for the said contract.

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses:

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The provision for current tax is made at the rate of tax as applicable for the income of the previous year as defined under the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred income tax is provided in full using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts as per consolidated financial statements as at the reporting date. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

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

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, joint ventures and associates where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, joint ventures and associates where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(g) Leases

As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a Straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

(h) Business Combination

The acquisition method of accounting is used to account for all business combinations except common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and

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- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity.

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Business combination between entities under common control is accounted using pooling of interest method of accounting. Under pooling of interest method of accounting, assets and liabilities of combining entities are reflected at carrying amount and no adjustments are made to reflect fair values, or recognize any new assets and liabilities. The only adjustments are made to

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harmonise accounting policies. The difference between the amount recorded as share capital plus any additional consideration in the form of cash or other assets and amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(i) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of assets and liabilities.

(k) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(l) Inventories

Inventories are valued as under:

(i) Inventory of completed saleable units and Construction work-in-progress

The inventory is valued at lower of cost or net realisable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, and appropriate proportion of variable

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and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

ii) Construction materials

The construction materials are valued at lower of cost or net realisable value. Cost of construction material comprises cost of purchases on moving weighted average basis. Costs of inventory includes rates and taxes and other direct expenditure are determined after deducting rebates and discounts.

(m) Financial instruments

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

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets:

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Initial recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sale the financial asset. Financial assets are recognised initially at fair value plus (excluding

trade receivables which do not contain a significant financing component), in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in profit or loss.

Debt instruments

Debt instruments are subsequently measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/(expenses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets are recognised in other income.

Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL.

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The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the consolidated statement of profit and loss.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 44 details how the Group determines whether there has been a significant increase in credit risk.

Derecognition of financial assets:

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

Interest income

Interest income from financial assets at amortised cost is calculated using the effective interest rate method and recognised in the consolidated statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividend income

Dividends are received from financial assets at fair value through profit or loss and at FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend represents a recovery part of the cost of the investment.

Other income

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/ origination of the financial liability.

Subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes in fair value are recognised in the consolidated statement of profit and loss, except for credit risk relating to that liability which is recognised in other comprehensive income. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in the consolidated statement of profit and loss.

Derecognition

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

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of assets and liabilities where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable

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right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(n) Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost comprises of the purchase price including import duties and non-refundable taxes and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management.

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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the written down value method (except for office improvements which are being depreciated on straight line method), to allocate their cost, net of residual values, over the estimated useful lives of the assets. The estimated useful lives is in accordance with the Schedule II to the Companies Act, 2013, except in case of plant and machinery which is based on technical evaluation done by the management's expert, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The management estimates the useful life for the property, plant and equipment as follows:

Asset	Useful Life
Plant and machinery	6 years
Office equipment	5 years
Office improvements	5 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	8 years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

(o) Investment properties

Properties that are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, are classified as investment properties. Investment properties are measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 60 years (other than RCC structure 30 years).

(p) Goodwill:

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes."

(q) Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a written down value basis over their estimated useful lives.

The management estimates the useful life for the intangible asset is as follows:

Asset	Useful Life
Computer software	5 years

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

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An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income/other expenses.

(r) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period or operating cycle, as applicable. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(s) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the consolidated statement of assets and liabilities when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/other expenses.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a

financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for a period at least beyond the Group's operating cycle. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the consolidated financial statements for issue, not to demand payment as a consequence of the breach.

(t) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time (except for the contract on which revenue is recognised over the period of time) that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Capitalisation of borrowing costs is suspended and charged to the consolidated statement of profit and loss during extended periods when active development activity on the qualifying asset is interrupted.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(u) Provisions and contingent liabilities

Provisions

Provisions are recognized when there is a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used,

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the increase in the provision due to the passage of time is recognised as an interest expense. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(v) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within period of operating cycle after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for a period at least beyond the Group's operating cycle, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes.

- defined benefit plan i.e. gratuity;
- defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the consolidated statement of assets and liabilities in respect of defined

benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the consolidated statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the consolidated statement of changes in equity and in the consolidated statement of assets and liabilities.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions, ESIC, etc to publicly administered provident funds and other funds as per local regulations. The Group has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are incurred.

(iv) Employee options

The fair value of options granted under the Rustomjee Employee Stock Option Plan 2022 is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price).
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

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- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

For Group transactions involve repayment arrangements that require one group entity to pay another group entity for the provision of the share-based payments to the suppliers of goods or services. In such cases, the entity that receives the goods or services shall account as a cash-settled share-based payment transaction.

Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.

(v) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(w) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(x) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of respective class of equity shares of the Group
- By the weighted average number of equity shares (respective class wise) outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated. Amount below rounding off norms adopted by the Group has been represented by*.

Note 1A - Changes in accounting policies and disclosures

New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 01, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 01, 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the companies accounting policy already complies with the mandatory treatment.

Note 2 - Critical estimates and judgements

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies. This note provides an overview of the areas that

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involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Revenue Recognition (Refer Note 1(e) above)

Revenue from sale of real estate inventory is recognised at a point in time or over the period based on the contract entered with the customers.

Evaluation of net realisable value of inventories (Refer Note 1(l) above)

Inventories comprising of finished goods and construction work-in progress are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the Financial Statements for the period in which such changes are determined.

Consolidation decisions - refer note 59

Transactions with shareholders

The Group assesses the facts and circumstances of each case to determine whether a lender is acting in its capacity as a shareholder in a transaction or for transactions between fellow subsidiaries, whether there is, in substance, a capital contribution or a distribution given (effectively via the parent). This affects the determination of whether the effect of the transaction is recorded in equity or profit or loss. This includes, for instance, the waiver of interest payment by non-controlling shareholder on the corresponding debt issued to the non-controlling shareholder, resulting in modification of debt. In such cases, the Management exercises its judgment in determining if the lender is acting

in its capacity as a shareholder and therefore whether the gain or loss on such modification should be recorded in equity. Refer note 64.

Impairment losses on investments and Impairment of financial assets (Refer Note 1(m) above)

In assessing impairment, management estimates the recoverable amounts of investments based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future cash flows and the determination of a suitable discount rate. For financial assets, as at each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Investment in compulsory convertible debentures of jointly controlled entity

The Group has classified its investment in compulsory convertible debentures (CCD) of a jointly controlled entity as part of its net investment in jointly controlled entity subject to equity method of accounting. The Group has made significant judgements in determining the nature of its interest in CCD. The CCD is convertible at any point in time by the issuer into a fixed number of shares and therefore it was assessed to be classified as equity from the issuer's point of view. The Group also determined that CCDs do not have any liquidation preference to ordinary shares and therefore will rank pari passu with the ordinary shares on conversion. Further, since the issuer can convert the instruments at any point in time before the maturity, it can be converted into ordinary shares before liquidation and therefore appropriate to be considered as in-substance equity from the Group's point of view.

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NOTE 3 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Leasehold Improvements	Office equipments	Plant and machinery	Computers	Furniture and fixtures	Vehicles	Total	Capital Work-in-progress
Year ended March 31, 2022									
Gross carrying amount									53
Opening gross carrying amount	126	-	21	358	118	102	114	839	
Adjustments on account of acquisition (refer note 58)	-	-	2	6	1	*	-	9	
Additions	-	-	5	51	13	5	-	74	
Disposals	-	-	-	-	-	-	-	-	(53)
Closing gross carrying amount	126	-	28	415	132	107	114	922	
Accumulated depreciation									
Opening accumulated depreciation	-	-	15	254	101	69	65	504	
Depreciation charge during the year	-	-	3	52	8	7	15	85	
Closing accumulated depreciation	-	-	18	306	109	76	80	589	
Net carrying amount	126	-	10	109	23	31	34	333	
Year ended March 31, 2023									
Gross carrying amount									
Opening gross carrying amount	126	-	28	415	132	107	114	922	
Additions	-	309	21	63	124	40	120	677	
Disposals	-	-	-	-	-	-	-	-	
Closing gross carrying amount	126	309	49	478	256	147	234	1,599	
Accumulated depreciation									
Opening accumulated depreciation	-	-	18	306	109	76	80	589	
Depreciation charge during the year	-	27	7	46	49	15	16	160	
Closing accumulated depreciation	-	27	25	352	158	91	96	749	
Net carrying amount	126	282	24	126	98	56	138	850	

(All amounts in ₹ Lakhs, unless otherwise stated)

* Amount below rounding off norms adopted by the Company.

Notes:

- Refer note 38 for depreciation allocated to project.
- Refer note 21 and 26 for information on property, plant and equipment offered as security against borrowings taken by the Group (refer note 52).

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(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 4 - RIGHT-OF-USE ASSET

The Company has taken various office premises under lease arrangements.

i) The details of the right-of-use assets held by the Group is as follows:

Particulars	Building
Year ended March 31, 2023	
Opening carrying amount	435
Additions	413
Depreciation charge during the year	(264)
Net carrying amount	584
Year ended March 31, 2022	
Opening carrying amount	-
Additions	653
Depreciation charge during the year	(218)
Net carrying amount	435

ii) Set out below are the carrying amounts of lease liabilities and the movement during the year:

Particulars	Amount
Opening as at April 01, 2022	459
Additions	399
Deletions	-
Accretion of interest	66
Payment of interest	(66)
Payment of principal	(242)
Closing as at March 31, 2023	616
Current portion	320
Non-current portion	296
Opening as at April 01, 2021	-
Additions	636
Deletions	-
Accretion of interest	63
Payment of interest	(63)
Payment of principal	(177)
Closing as at March 31, 2022	459
Current portion	210
Non-current portion	249

iii) Amount recognised in statement of profit and loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on lease liabilities	66	63
Depreciation expenses on right-of-use assets	264	218
Expenses relating to short-term leases	47	47

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

iv) Amount recognised in statement of cash flows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total cash outflow for leases (Including short term lease)	355	287

NOTE 5 - INVESTMENT PROPERTIES

Particulars	As at March 31, 2023	As at March 31, 2022
Gross carrying amount		
Opening gross carrying amount	1,208	1,208
Adjustments on account of loss of control	-	-
Closing gross carrying amount	1,208	1,208
Accumulated depreciation		
Opening accumulated depreciation	245	204
Depreciation charge during the year	41	41
Adjustments on account of loss of control	-	-
Closing accumulated depreciation	286	245
Net carrying amount	922	963

(i) Amounts recognised in the consolidated statement of profit and loss for investment properties

Particulars	As at March 31, 2023	As at March 31, 2022
Rental income	103	85
Expenses relating to investment properties	(41)	(41)

The Group has given buildings on operating leases. These lease arrangements range for a period between 36 months and 72 months and are cancellable leases.

(ii) Fair value

Particulars	As at March 31, 2023	As at March 31, 2022
Investment properties	2,539	2,450

Estimation of fair value

The Group carries out independent valuation for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences;
- discounted cash flow projections based on reliable estimates of future cash flows;

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

- (c) capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by an independent registered valuer. The main inputs used are discounted cash flow projections based on reliable estimates of future cash flows. All resulting fair value estimates for investment properties are included in level 3.

NOTE 6 - INTANGIBLE ASSETS

Particulars	Computer software	Goodwill	Total
Year ended March 31, 2022			
Gross carrying amount			
Opening gross carrying amount	229	1,579	1,808
Additions	-	-	-
Closing gross carrying amount	229	1,579	1,808
Accumulated amortisation			
Opening accumulated amortisation	200	-	200
Amortisation charge during the year	14	-	14
Closing accumulated amortisation and impairment	214	-	214
Net carrying amount	15	1,579	1,594
Year ended March 31, 2023			
Gross carrying amount			
Opening gross carrying amount	229	1,579	1,808
Additions	-	-	-
Closing gross carrying amount	229	1,579	1,808
Accumulated amortisation			
Opening accumulated amortisation	214	-	214
Amortisation charge during the year	11	-	11
Closing accumulated amortisation and impairment	225	-	225
Net carrying amount	4	1,579	1,583

1) Impairment testing of goodwill

In accordance with Ind-AS 36, goodwill is reviewed, at least annually, for impairment. The recoverable amount is estimated as the higher of the CGU's fair value less cost to sell, or its value in use. Directly observable market prices rarely exist for the Group's assets, however, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Group for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential.

The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of certain assumptions. The calculations are based on cash flow projections approved by management as part of the financial budgeting process. The goodwill is allocated to the single CGU in which the Group operates i.e., real estate constructions, development and other related activities.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

The key assumptions used in the estimation of the recoverable amount of CGU's are set out below.

Particulars	March 31, 2023	March 31, 2022
Pre-tax Discount rate	16.05%	22.54%

These projected cash flows are discounted to the present value using a Cost of Equity (discount rate). The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions.

The Group uses specific revenue growth assumptions for each reporting unit based on history and economic conditions.

As a result of goodwill impairment test for the year ended March 31, 2023 and for the year ended March 31, 2022, no goodwill impairment was identified as the recoverable value of the CGUs to whom goodwill was allocated exceeded their carrying amounts at all the periods reported above.

Impact of possible changes in key assumptions

The Management believes that no reasonably possible change in any of the above key assumptions would cause the recoverable amount to fall below the carrying value of any of the CGU having allocated goodwill.

NOTE 7 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	As at March 31, 2023	As at March 31, 2022
a) Investment in Equity Instruments (unquoted) accounted using equity method In joint ventures and associates Jyotirling Constructions Private Limited		
Cost of acquisition	*	*
Add: Share of equity	*	*
Kapstone Constructions Private Limited (refer note (i) below)	54,753	56,412
Krishika Developers Private Limited (refer note 59)	*	0
b) Investment in Limited Liability Partnership		
In associates - at equity method of accounting		
Megacorp Constructions LLP		
Cost of acquisition	1	1
Add: Share of equity	(1)	(1)
Crest Property Solutions Private Limited		
Opening balance	-	76
During the year profit	-	49
Adjustment on account of discontinuation of equity accounting	-	(125)
Closing balance	-	-
Total	54,753	56,412

* Amount below rounding off norms adopted by the Company.

Note

- (i) Investment in Equity Instruments includes 9,541,775 (March 31, 2022: 9,541,775) 10.00% Series II-B rated, Compulsorily Convertible Debenture of ₹ 100 each fully paid- up held in Kapstone Constructions Private Limited.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of unquoted investment	54,753	56,412
Aggregate amount of quoted investment and market value thereof	-	-
Aggregate amount of impairment in value of investments	-	-

NOTE 8 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
a) Equity investments and mutual funds (unquoted, at fair value through profit and loss)		
Nil (As at March 31, 2022: 58,000) Equity shares of ₹ 10 each fully paid-up held in One Capital Limited	-	20
36,010 equity shares of ₹ 25 each fully paid-up held in Zoroastrian Co-operative Bank Limited	9	9
Investment in Mutual Funds	7,764	-
b) Investments in Alternative Investment Funds ("AIF") (unquoted, at fair value through profit and loss)		
12,49,940 [March 31, 2022: Nil] units of ₹ 100 each held in MT K Resi Development Fund	1,250	-
	9,023	29
Aggregate amount of unquoted investment	9,023	29
Aggregate amount of quoted investment and market value thereof	-	-
Aggregate amount of impairment in value of investments	-	-

NOTE 9 - OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good		
Long term deposits with bank- deposits with original maturity of more than 12 months*	2,042	1,773
Security deposits	849	784
Total	2,891	2,557

*Long term deposits with bank include restricted deposit of ₹ 1,103 (As at March 31, 2022: ₹ 1,728) respectively. The restriction are primarily on account of deposit held as margin money against guarantees and borrowings.

NOTE 10 - CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax including tax deducted at source [net of tax provisions]	6,614	6,432
Total	6,614	6,432

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 11 - OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good		
Balances with government authorities	449	702
Advances to land owner and others	315	309
Considered doubtful		
Advances to land owners and others	205	500
Allowance for doubtful advances	(205)	(500)
Total	764	1,011

NOTE 12 - INVENTORIES

Particulars	As at March 31, 2023	As at March 31, 2022
Completed saleable units	57,295	28,487
Construction material	1,107	1,083
Construction work-in-progress (refer note 55)	1,79,746	1,77,274
Land	18,887	18,587
Total	2,57,035	2,25,431

Refer notes below Note 21 and 26 for information on inventories offered as security against borrowings taken by the group (refer note 52) The amount of inventory expected to be realised greater than 1 year is ₹ 1,62,477 (March 31, 2022: ₹ 1,77,179).

NOTE 13 - CURRENT INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in mutual funds - (Unquoted) (At FVTPL)	443	1,069
Total	443	1,069
Aggregate amount of unquoted investment	443	1,069
Aggregate amount of quoted investment and market value thereof	-	-
Aggregate amount of impairment in value of investments	-	-

NOTE 14 - TRADE RECEIVABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables from contract with customers		
From related parties (refer note 42)	256	299
From others	5,934	11,092
Loss allowance	(26)	(33)
Total	6,164	11,358
Current portion	6,164	11,358
Non-current portion	-	-

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Break-up of security details

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables considered good – Secured	-	-
Trade receivables considered good – Unsecured	6,190	11,391
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	6,190	11,391
Loss allowance	(26)	(33)
Total trade receivables	6,164	11,358

Note 1: Trade receivable include ₹ 256 (March 31, 2022: ₹ 296) due from firms or private companies in which any director is a partner or director or member.

Note 2: Refer notes below Note 21 and 26 for information on trade receivables offered as security against borrowings taken by the Group.

Trade receivables ageing Schedules for the year ended March 31, 2023 and year ended March 31, 2022 outstanding from the due date of payment:

Undisputed Trade receivables – considered good

Particulars	As at March 31, 2023	As at March 31, 2022
Not Due	2,391	7,082
Less than 6 months	2,740	2,121
6 months - 1 year	77	474
1-2 year	302	565
2- 3 years	155	471
More than 3 years	525	678
Total	6,190	11,391
Loss allowance	(26)	(33)
Total trade receivables	6,164	11,358

Note: The Group does not have any disputed trade receivables - which have significant increase in credit risk and disputed trade receivables.

NOTE 15 - CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts*	9,695	5,701
Cash on hand	75	86
Deposits with original maturity of less than 3 months*	26,464	185
Total	36,234	5,972

* Includes ₹ 1,331 (March 31, 2022: Nil) in current accounts and ₹ 14,500 (March 31, 2022: Nil) in deposit accounts included in above will be utilised as stated in the prospectus for IPO (refer note 63)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 16 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
In deposits accounts *	2,429	1,830
Deposits for original maturity of more than 3 months but less than 12 months	1,644	13,520
Balances with banks- in current accounts (restricted)#	908	2,058
Total	4,981	17,408

Note:

*This represents restricted deposits primarily on account of deposit held as margin money against guarantees and borrowings.

#Balances with banks represent amounts in the designated separate bank accounts as per provisions of the Real Estate (Regulation and Development) Act, 2016 and earmarked escrow accounts, to be utilised only towards payment of interest and repayment of borrowings, as per terms of the borrowings.

NOTE 17 - CURRENT LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
Loans		
- To related parties (refer note 42)	13,388	13,362
- To employees	-	49
- To others	14,456	12,787
Total	27,844	26,198

Loans or Advances in the nature of loans are granted to Promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person are as below:

Type of Borrower	Amount of loan outstanding	Percentage to the total loans
As at March 31, 2023		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	13,388	48%
As at March 31, 2022		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	13,362	51%

Note:

Loans to related parties includes ₹ 1,370 (March 31, 2022: 813) is due from firms or private companies in which any director is a partner or director or member.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 18 - OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good		
Interest accrued on deposits with banks	210	269
Interest receivable (including related parties)	5,382	2,767
Deposits with land owners and housing societies	2,769	887
Receivable from JV partner [#]	2,943	2,488
Receivables from related party (Refer note 42)	29	694
Security Deposits	2,308	1,074
Other receivable	731	353
Unsecured and considered doubtful		
Deposits with land owners	-	250
Rent and Utility Deposits	6	6
Receivable from JV partner [#]	2,655	2,312
Provision for rent and utility deposit	(6)	(6)
Provision for receivable from JV partner & Deposits with land owners	(2,655)	(2,562)
Total	14,372	8,532

[#]Receivable from JV partner represents additional contribution made towards share of net assets to be recovered from joint venture partner.

NOTE 19 - OTHER CURRENT ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good		
Advances to Landowners and societies	3,432	5,849
Advances for supply of goods and services	8,014	5,336
Balance with government authorities	2,155	2,005
Prepaid expenses (includes contract cost ₹ 8,164, March 31, 2022: ₹ 3,178)	8,773	4,903
Unsecured and considered doubtful		
Advances for supply of goods and services	21	21
Advances to societies	26	26
Provision for doubtful advances	(47)	(47)
Total	22,374	18,093

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 20 - EQUITY SHARE CAPITAL AND OTHER EQUITY

Note 20(a) - Equity share capital

(i) Authorised share capital

Particulars	As at March 31, 2023	As at March 31, 2022
23,53,00,000 [March 31, 2022: 13,56,40,000] equity shares of ₹ 10 each	23,530	13,564
Nil [March 31, 2022: 10,00,10,000] optionally convertible redeemable preference shares of ₹ 10 each	-	10,001
420,000 [March 31, 2022: 65,000] preference shares of ₹ 10 each	42	7
Total	23,572	23,572

(ii) Issued, subscribed and fully paid up share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Equity share capital		
113,877,423 [March 31, 2022: 100,030,680] Equity shares of ₹ 10 each	11,388	10,003
Total	11,388	10,003

(iii) Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iv) Movement in equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
Balance as at the beginning of the year	10,00,30,680	10,003	10,00,30,680	10,003
Add: Changes during the year (refer note 26(i)(b), 61, 62 and 63)	1,38,46,743	1,385	-	-
Balance as at the end of the year	11,38,77,423	11,388	10,00,30,680	10,003

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(v) Details of shareholders holding more than 5% equity shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% Holding	Number of shares	% Holding
Boman Irani	4,78,72,460	42.04%	4,85,65,620	48.55%
Percy Chowdhry	2,39,36,230	21.02%	2,42,82,810	24.28%
Chandresh Mehta	2,39,36,230	21.02%	2,42,82,810	24.28%
Total	9,57,44,920	84.08%	9,71,31,240	97.11%

(vi) Shareholding of promoters are disclosed below:

Name of Promoters	Number of shares	% Total shares	% Changes during the year
As at March 31, 2023			
Boman Irani	4,78,72,460	42.04%	-6.51%
Percy Chowdhry	2,39,36,230	21.02%	-3.26%
Chandresh Mehta	2,39,36,230	21.02%	-3.26%
As at March 31, 2022			
Boman Irani	4,85,65,620	48.55%	-
Percy Chowdhry	2,42,82,810	24.28%	-
Chandresh Mehta	2,42,82,810	24.28%	-

(vii) Aggregate number of shares issued as fully paid up bonus shares (during 5 years immediately preceding March 31, 2023):

10,00,10,000, 0.1% Optionally convertible redeemable preference shares ("OCRPS") of ₹ 10 each were issued on October 28, 2015 as fully paid-up bonus shares. The OCRPS got converted to the equity shares during the financial year 2018-19.

20(b) - Reserves and surplus

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium reserve	80,524	12,738
Retained earnings	50,160	46,197
Debenture redemption reserve	24	105
Capital reserve	1,138	1,138
General reserves	23,085	23,083
Employee stock option outstanding (refer note 46)	622	-
Total	1,55,553	83,261

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Securities premium reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	12,738	12,738
Amount received on issue of shares (refer note 61 and 62)	71,624	-
Less: Amount utilised for share issue expenses (refer note 61 and 62)	(3,838)	-
Balance at the end of the year	80,524	12,738

(ii) Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	46,197	32,835
Other comprehensive (loss)/income - remeasurements of post employment benefit plan	(12)	28
Profit for the year	8,195	13,962
Transferred from Debenture Redemption Reserve	79	217
Transferred to retained earnings due to change in economic interest in subsidiary	(4,168)	-
Gain on modification in terms of borrowing	(131)	(845)
Balance at the end of the year	50,160	46,197

Refer note 52 for non creation of debenture redemption reserve.

(iii) Debenture redemption reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	105	322
Less: Transferred to retained earnings	(79)	(217)
Less: Transferred to general reserve	(2)	-
Balance at the end of the year	24	105

(iv) Capital reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	1,138	1,110
Changes during the year (refer note 58)	-	28
Balance at the end of the year	1,138	1,138

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(v) General reserves

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	23,083	23,083
Changes during the year	2	-
Balance at the end of the year	23,085	23,083

(vi) Employee stock option outstanding

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance		
Employee stock option outstanding	622	-
Closing balance	622	-

Nature and purpose of other reserves:

Debenture redemption reserve

The Group is required to create a debenture redemption reserve out of the profits which is available for payment of dividend and for the purpose of redemption of redeemable non convertible and optionally convertible debentures.

Securities premium

Securities premium is used to record the premium on issue of shares. This is utilised in accordance with the provision of the Companies Act, 2013.

Capital Reserve

Capital reserve is created out of profits or gains of a capital nature. The capital reserve is available for utilisation against capital purpose and are not available for distribution of dividend.

General Reserve

The Group has transferred a portion of the net profit of the Group before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Employee stock option outstanding

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Rustomjee Employee stock option plan.

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 21 - NON-CURRENT BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term loan		
- From Banks (Refer Note 26(iii))	4,988	9,677
- From Financial institutions (Refer Note 26(ii))	3,150	6,638
Preference shares		
0% Redeemable preference shares (Refer Note 26(i)(a))	-	*
Vehicle Loans		
- From Bank (Refer Note 26(ii))	87	12
Unsecured		
Debentures		
Nil (March 31, 2022: 9,113) 15% Optionally convertible debentures (Refer Note 26(i)(b))	-	9
Nil (March 31, 2022: 88,000) 20% Series A Non Convertible debentures ₹ 10,000 each (Refer Note 26(i)(d))	-	15,490
50,00,000 (March 31, 2022: 50,00,000) 12% Optionally convertible debentures of ₹100 each (Refer note 26 (i)(e))	5,780	5,240
Less: Current maturities of long-term debts (included in current borrowings)	(2,906)	(15,807)
Less: Interest accrued (included in current borrowings)	(48)	(6,776)
Less: Interest accrued (included in non-current financial liabilities)	(780)	(240)
Total	10,271	14,243

* Amount below rounding off norms adopted by the Company.

Refer note 26 for nature of security and terms of repayment

NOTE 22 - LEASE LIABILITIES- NON-CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities	296	249
Total	296	249

NOTE 23 - TRADE PAYABLES- NON-CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Dues to micro and small enterprises	-	-
Dues to others	669	304
Total	669	304

Refer Note 28 for ageing of trade payables.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 24 - OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits towards rented premises	8	12
Interest accrued but not due on borrowings	780	240
Corpus fund payable to society	17,680	19,074
Total	18,468	19,326

Note: Movement of corpus fund payable to society towards society maintenance (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Beginning of the year	19,164	17,492
Add: Collections from customers made during the year	2,754	1,839
Add: Returns on corpus collected	1,295	1,469
Less: Utilised during the year	5,371	1,636
Closing balance	17,842	19,164
Current portion	162	89
Non-current portion	17,680	20,746

The Group collect corpus fund deposit as an agent from the customers. The Group has invested the corpus fund deposit in fixed deposits and any other investment schemes. The interest income/return accrued shall be first utilised for maintenance of the society, in case of any shortfall corpus fund deposit shall be utilised.

NOTE 25 - NON CURRENT PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefit		
Provision for gratuity (refer note 46)	173	270
Total	173	270

NOTE 26 - CURRENT BORROWINGS

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans		
From Banks (refer ii below)	-	18,578
From financial institutions (refer ii below)	28,118	35,341
Debentures		
970 [March 31, 2022: Nil] 11.50% Redeemable non-convertible debentures (refer note(i)(f)) below	7,305	-

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as at and for the year ended March 31, 2023

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NOTE 26 - CURRENT BORROWINGS (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash credit and overdraft facilities from banks		
Others (refer iii below)	1,489	7,008
Vehicle Loans		
From Bank (refer ii below)	14	-
Current maturities of long term debt*	2,940	7,087
Unsecured loans		
Preference shares	128	-
Debentures		
2,079,163 (March 31, 2022: 9,966,456) redeemable cumulative non-convertible debentures of ₹ 10 each (refer (i)(c) below)	208	997
Loans and deposits from related parties		
From related parties (refer note 42 and refer note iv below)	32,441	36,908
From directors (refer note 42 and refer note iv below)	25	1,510
Loans from Others (refer note iv below)	19,470	18,628
Current maturities of long term debt*	-	15,496
Total	92,138	1,41,553

*Includes interest accrued on long-term borrowings.

Note: Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the respective amounts.

Nature of security and terms of repayment for secured and unsecured borrowings:

i. Debentures and preference shares

a) Redeemable preference shares (refer note 21)

0% Redeemable preference shares of ₹ 10 each were issued on December 04, 2014 to the erstwhile shareholders of Rustomjee Buildcon Private Limited pursuant to the scheme of amalgamation (approved by Hon'ble High Court of Bombay vide its order dated November 07, 2014) without payment being received in cash. These shares may be redeemable, in whole or in part, at the option of the Company or the holder at any time on or before December 03, 2034. In the event of liquidation, preference shareholders have a preferential right over equity shareholders to be repaid to the extent of capital paid-up. During the year, preference shares has been redeemed at par.

b) 15% Optionally convertible debentures (OCDs)(refer note 21)

These OCDs carry a interest rate of 15% p.a payable quarterly, which are either convertible into one fully paid up equity share of the Company for each OCD at the option

of the holder or are redeemable at any time on or before April 04, 2023 at par. During the year, OCDs are converted into equity shares.

c) Redeemable cumulative non-convertible debentures

- All the non-convertible debentures (NCDs) shall, inter se, rank pari passu, without any preference or priority of one over the others or others of them shall be free from any encumbrance.
- The NCDs shall carry an interest rate of 0.01% per annum on face value. These NCDs are repayable on demand.
- Unless the NCDs are redeemed earlier, they shall be redeemed in full by paying the entire NCD redemption amount, on March 31, 2025.

d) 20% Series A Non Convertible debentures:

The Series A Debentures shall carry interest @ 20% pa which shall be accrued on the last day of the financial year. Interest shall be payable on the last day of financial

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year subject to availability distributable amounts and as decided by the distribution committee. During the year, Company has redeemed the said debentures.

e) 12% Optionally convertible debentures

During the year ended March 31, 2022, one of the group Company has issued 12% Optionally convertible debentures (OCD) of ₹ 100 each with maturity period of 20 years. Each OCD shall convert into 10 equity shares of face value of ₹ 10 each as mutually agreed by all the OCD holders. OCD carry 12% p.a. interest to be accrued at the end of every year and distributable subject to availability of distributable cash flows.

f) Redeemable non-convertible debentures (NCDs)

- (i) First charge over entire Project assets including the project development rights, buildings and any other moveable and immovable assets of the Project with a security cover of 1.50x;
- (ii) First charge over Project Collections generated from the Project which will be deposited in the Designated Bank Account;
- (iii) Charge over bank accounts of the Issuer including Designated Bank Account, Current Account and DSRA Account (Interest for next 3 months) related to the Project;
- (iv) Cost overrun, completion & cash shortfall undertaking from the Promoters;
- (v) Personal Guarantee of Boman Irani, Chandresh Mehta & Percy Chowdhry.

Terms of repayment along with interest charged is as follows:

- (i) the term loan is repayable within 30 months from date of Allotment i.e. September 06, 2022.
- (ii) the term loan carries interest rate of 11.50% p.a payable semi-annually.

ii. Term loans from banks and others

a) Term loan from ICICI Bank Limited amounting to ₹ Nil (March 31, 2022: ₹ 4,848) is secured against

- (i) Exclusive charge by way of registered mortgage on the development rights of all the pieces and parcels of land bearing CTS Nos. G-164A (part) G-626 of village Bandra, Taluka Andheri, in Mumbai Suburban District Mumbai, admeasuring 14,184 sq. mtrs., together with all buildings and structures thereon,

both present and future;

- (ii) Exclusive charge by way of registered mortgage on project "Rustomjee Paramount", excluding sold units;
- (iii) Exclusive charge by way of registered mortgage on the scheduled receivables of residential project "Rustomjee Paramount";
- (iv) Exclusive charge by way of registered mortgage on security of all rights, title, interest, claims, benefits, demands under the Project documents both present and future;
- (v) Exclusive charge by way of registered mortgage on the Escrow Account, all monies credited/ deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be);
- (vi) Additionally, Boman Irani, Percy Chowdhry and Chandresh Mehta (Managing Director and Directors of the Company respectively) have provided their unconditional and irrevocable personal guarantee in respect of the loan.

Terms of repayment along with interest charged is as follows:

- (i) for ₹ 15,000 loan, the loan is repayable in 14 monthly installment commencing from September 15, 2021;
- (ii) for ₹ 15,000 loan, The loan carries interest rate linked to ICICI Bank Limited "MCLR 1Y+Spread". The rate of interest on the loan is MCLR 1Y plus 2.70% spread p.a.

b) Term loan from Standard Chartered Bank amounting to ₹ Nil (March 31, 2022: ₹ 800) is secured against:

Exclusive charge over 9 identified unsold flats (1 flat in Project Rustomjee Elita with area of 2,010 sft, 2 flats in Project Rustomjee Oriana with area of 5,892 sft and 6 flats in Project Rustomjee Seasons with area of 13,990 sft) offered as security and all receivables thereon ensuring minimum security cover of 1.54x/65% for the facility.

Additionally, Boman Irani, Percy Chowdhry and Chandresh Mehta (Managing Director and Directors of the Company respectively) have provided their unconditional and irrevocable personal guarantee in respect of the loan.

Terms of repayment along with interest charged is as follows:

The loan is repayable in quarterly installments of ₹ 528 starting from October 30, 2020.

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The terms loans carry interest rate of 11.25% to 12.35%.

c) Term loans from Standard Chartered Bank ('SCB') amounting to ₹ Nil (March 31, 2022: ₹ 2,357) are secured against:

- (i) First Charge over project (Land and Building) with a minimum security cover of 1.65X.
- (ii) Corporate Guarantee from Keystone Realtors Limited.
- (iii) First Charge over existing receivables and future cash flows in respect of the Project. All cash flows to be routed through the project Designated Accounts with Standard Chartered Bank (charged to Lender).

Terms of repayment along with interest charged is as follows:

- (i) The loan is repayable in quarterly installments starting from end of 21st month to 30th month - 3%, 33rd month to 36th - 5% and 39th month to 60th month - 9% of the loan facility availed from date of first disbursement i.e. May 10, 2021.
- (ii) The interest rate will be linked to applicable MIBOR for an INR Facility applicable on the interest reset date. Spread as may be specified by the bank at the time of drawdown will be applied over and above benchmark rate. First interest rate reset date will be the first date of disbursement of the facility and subsequent date of interest reset date will be determined as agreed between from time to time.

d) Term loan from ICICI Bank Limited amounting to ₹ Nil (March 31, 2022: ₹ 10,535) is secured against:

The Facility, an interest thereon, costs, charges, expenses and all other monies in respect thereof shall be secured by:

1. Exclusive mortgage in favour of ICICI BANK by way of registered mortgage on the development rights of the all the piece & parcel Of land located at survey no. 19 and City Survey no. 76 (part), 88 (part) and 588 (part), Rajendra Nagar, Borivali East, District of Mumbai City, admeasuring approximately 7,120 sq. mtrs including all the structures thereon both present future, along with all the development potential arising thereon (including additional development potential in the form of TDR, premium FSI, etc), both present and future;
2. First Pari Passu mortgage in favour Of ICICI BANK by way of registered mortgage on the development rights of the Land bearing CTS Nos. G-164A (part) & G-62E of village Bandra, Taluka Andheri, in the

Mumbai Suburban District, Mumbai, admeasuring 14,184 sq. mtrs., together with all buildings and structures thereon, both present and future;

3. Exclusive mortgage in favour of ICICI BANK by way of registered mortgage on Rustomjee Summit project excluding sold units;
4. First Pari Passu mortgage in favour of ICICI BANK by way of registered mortgage on Rustomjee Paramount Project excluding sold units;
5. Exclusive mortgage by way of registered mortgage on the Scheduled Receivables of the Rustomjee Summit Project and all insurance proceeds, both present and future;
6. First Pari Passu mortgage by way of registered mortgage on the Scheduled Receivables of the Rustomjee Paramount Project and all insurance proceeds, both present and future;
7. Exclusive mortgage by way of registered mortgage on security of all rights, title, interest, claims, benefits, demands under the Rustomjee Summit Project Documents both present and future;
8. First Pari Passu mortgage by way of registered mortgage on security of all rights, title, interest, claims, benefits, demands under the Rustomjee Paramount Project Documents both present and future;
9. Exclusive mortgage by way of registered mortgage/hypothecation on the Escrow Account of the Rustomjee Summit Project and DSR Account all monies credited/deposited therein (in whatever form the same may be). and all investments in respect thereof (in whatever form the same may be);
10. First Pari Passu mortgage by way of registered mortgage/hypothecation on the Escrow Account 1 and Escrow Account 2 of the Rustomjee Paramount Project and the DSR Account all monies credited/deposited therein (in whatever form the same may be). and all investments in respect thereof (in whatever form the same may be);
11. Additionally, Mr. Boman R. Irani, Mr. Percy S. Chowdhry and Mr. Chandresh Mehta (Managing Director and Directors of the Company respectively) have provided their unconditional and irrevocable personal guarantee in respect of the loan.

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Terms of repayment along with interest charged is as follows:

The Loan is repayable in 9 quarterly installments commencing from March 15, 2021.

The terms loans carry interest rate of 11.20% to 11.35%.

e) Term loan from L & T Finance Limited amounting to ₹ Nil (March 31, 2022: 22,794) is secured against:

1) Exclusive charge by way of registered indenture of mortgage:

(i) on the development rights of the Project arising out of land parcel admeasuring 15,445.08 sq.mtrs. Corresponding to survey no.341(pt), having corresponding CTS nos 648 (Part), 648-1 to 6 village Bandra, Gandhi Nagar, located at Bandra east, Mumbai 400 051 and present & future construction thereon.

(ii) On entire unsold units and sold receivables of the project.
2) Second charge on 28 units in tower D of the Project currently charge with the M.I.G. Co-operative Housing Society Bandra East Group IV Limited ("Society") (Once the charge of the Society is released the Lender shall become the exclusive charge holder).

Terms of repayment along with interest charged is as follows:

The Loan is repayable after completion of 24 months from date of 1st disbursement, Loan will be repaid in 16 quarterly installments calculated on balance outstanding after 24 months.

The terms loans carry interest rate of 11.00%

f) One of the Group Company has obtained a term loan facility from HDFC Limited. The term loan facility is secured against:

(i) Term Loan for Project Central Park

For ₹ 2500 (Term Loan from HDFC Bank amounting to ₹ Nil (March 31, 2022: ₹ 800)

- a) Mortgage of saleable area admeasuring 1,06,344 sq ft. along with proportionate undivided share of land in commercial building no 1 on plot bearing CTS no 484, 484/1 to 7, Andheri Kurla road, Chakala, Andheri East, Mumbai with construction thereon present and future.
- b) an exclusive charge on the Scheduled receivables: Receivables/Cash flows/revenues including booking amounts arising out of or in connection with or relating the project.
- c) Personal guarantee Mr. Boman Irani, Mr. Percy Chowdhry and Mr. Chandresh Mehta.

- d) Corporate guarantee of Keystone Realtors Limited.
- e) Repayment Terms: The loan has been repaid fully during the current financial year.

(ii) Term Loan for Project Crown

For ₹ 12,500 - Primary security (Term Loan from HDFC Bank amounting to ₹ 12,494 (March 31, 2022: ₹ 12,491)

- a) Mortgage of saleable area admeasuring 1,06,344 sq ft. along with proportionate undivided share of land in commercial building no 1 on plot bearing CTS no 484, 484/1 to 7, Andheri Kurla road, Chakala, Andheri East, Mumbai with construction thereon present and future.
- b) Exclusive charge on Scheduled receivables: Receivables/Cash flows/revenues including booking amounts arising out of or in connection with or relating the project.
- c) Corporate guarantee of Keystone Realtors Limited.
- d) Repayment Terms: 48 months from the date of first disbursement/drawdown. Repayment to start from 44th month from the date of first disbursement and shall be paid in 5 monthly installments of ₹ 25 Crores each.

Additional security:

- a) Mortgage of Real Gem Buildtech Private Limited's unsold saleable area admeasuring 3,31,268 sq. ft. including proportionate undivided share of land admeasuring about 24,809.76 sq. mtrs. situated at Gokhale Road (South), Dadar, Mumbai 400 025 and bearing final plot No. 1043 of TPS IV, Mahim division bearing C. S. No. 1123, with construction thereon present and future.
- b) Mortgage of Real Gem Buildtech Private Limited's unsold carpet area admeasuring 27,434 sq. ft. (15 units) including proportionate undivided share of land admeasuring about 24,809.76 sq. mtrs. situated at Gokhale Road (South), Dadar, Mumbai 400 025 and bearing final plot No. 1043 of TPS IV, Mahim division bearing C. S. No. 1123, with construction thereon present and future.
- c) Mortgage of Bishma Realty Private Limited's unsold saleable area admeasuring 3,53,742 sq. ft. including proportionate undivided share of land admeasuring about 24,809.76 sq. mtrs situated at Gokhale Road (South), Dadar, Mumbai 400 025 and bearing final plot No. 1043 of TPS IV, Mahim division bearing C.

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S. No. 1123, with construction thereon present and future

through other amenities and any cash flow from Company's units in the project.

d) Exclusive charge on schedule receivables.

iii) DSRA equivalent to 3 months interest on outstanding amount of the facility to be maintained on the form of FD with lien marked to TCHFL during the currency of loan

(iii) Term Loan under ECLGS

For ₹ 726 (Term Loan from ECLGS amounting to ₹ Nil (March 31, 2022: ₹ 13))

a) The Company has obtained a term loan facility from HDFC Ltd. by way of Guaranteed Emergency Credit Line (GECL) under ECLGS scheme of National Credit Guarantee Trustee Company Limited (NCGTC).

iv) Tenure: Total tenure of 48 months including moratorium period of 24 months from the date of 1st disbursement of the term loan.

b) Repayment Term: The loan has been repaid fully during the current financial year.

v) Rate of interest will be Construction Finance Prime Lending Rate (CFPLR) minus 5.45% p.a. on monthly reducing & floating rate basis. As at balance sheet date effective applicable interest rate is 13.05%.

c) Security:

1) Primary Security by way of Government Guarantee from National Credit Guarantee Trustee Company ("NCGTC")

vi) Repayment: 24 monthly installment starting from 25th month from the first disbursement of the term loan.

2) Extension of Second ranking charge by way of mortgage of saleable area admeasuring 106344 sq ft. along with proportionate undivided share of land in commercial building no 1 on plot bearing CTS no 484, 484/1 to 7, Andheri Kurla road, Chakala, Andheri East, Mumbai.

vii) The term loan is guaranteed by Holding Company - **Keystone Realtors Limited**.

Scheduled receivables: Receivables/cash flows/revenues including booking amounts arising out of or in connection with or relating to the project.

h) One of the Group Company has obtained a working capital loan from a financial institution amounting to ₹ Nil (As at March 31, 2022: 900) under ECLGS. Nature of security and terms of repayment of term loan:

g) One of the Group Company has obtained a loan from a financial institution amounting to ₹ 12,811 (As at March 31, 2022: 1,026). Nature of security and terms of repayment of term loan:

a) Term loan secured by way of registered mortgage for charge on:

i) Primary Security by way of Government Guarantee from National Credit Guarantee Trustee Company ("NCGTC")

i) Exclusive charge on all piece & parcel of land located at new survey no 5, at village Dongre, Virar (west) admeasuring approx. 33,417 sq mtrs comprising of Avenue D1, L1, L2 & L4 ("the said land") including all structures thereon present and future, along with all the developments potential arising thereon (including additional development potential) in form of TDR, premium, FSI etc. both present and future.

ii) Extension of Second ranking charge with Term Loan Facility in terms of Cash Flows & secured by way of registered mortgage for charge on assets secured against the Term Loan facility as per Point I above.

iii) The working capital term loan under ECLGS carries interest rate of I- EBLR 7.7% and spread 1% @ 8.70% p.a. Term loan has been repaid during the year.

i) Term loan from Tata Capital Housing Finance Limited amounting to ₹ 4,864 (March 31, 2022: 2,814) is secured against:

- Exclusive charge by way of registered mortgage over development rights and FSI of project Parishram by Rustomjee situated at Pali Hill Road, Bandra.

ii) Exclusive charge by way of hypothecation on all the receivables including sold, unsold, insurance receipts, development and other charges including car park income and income

- Exclusive charge to be created on Security Flat admeasuring 2665 sq. ft. carpet area i.e. 4397.25 sq. ft. saleable area, immediately upon receipt of OC of the Project.

Notes to the Consolidated Financial Statements

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- Exclusive charge by way of hypothecation on all the receivables including sold, unsold, insurance receipts, development and other charges and any cash inflow in the redevelopment Project Rustomjee Pali Hill Parishram.
- DSRA equivalent to 3 months' interest on outstanding amount of the facility.

Terms of repayment along with interest charged is as follows:

Moratorium period of 36 months and thereafter 24 equated monthly installments commencing from the end of 37th month since the date of first drawdown under the facility.

Rate of Interest will be Construction Finance Prime Lending Rate (CFPLR) minus 6.45% per annum on monthly reducing & floating rate basis. The present CFPLR is 17.45% & present effective rate of interest will be 11.00% per annum on monthly reducing & floating rate basis.

j) Vehicle loan from ICICI Bank Limited amounting to 87 (March 31, 2022: ₹ 15) is secured against:

Vehicle Loan I is taken from ICICI bank and repayable in 60 monthly installment of ₹ 1.14 including interest @ 7.75% p.a. Loan has been repaid

Vehicle Loan II is taken from ICICI bank and repayable in 60 monthly installment of ₹ 0.18 including interest @ 8.50% p.a. Loan has been repaid

Vehicle Loan III is taken from ICICI bank and repayable in 60 monthly installment of ₹ 1.79 including interest @ 8.65% p.a.

These loans are secured by underlying assets against which these loans have been obtained.

k) One of the Group Company has obtained a working capital term loan from Bajaj Housing Finance Ltd. amounting to ₹ Nil (March 31, 2022: 2,944).

Nature of security and terms of repayment of term loan:

- Exclusive first charge by way of registered mortgage of development right along with present and future sale FSI and all unsold units of the Project "Erika";
- Exclusive charge by way of Hypothecation of scheduled receivables from sold and unsold units (developer share) of the project and all insurance proceeds, both present and future cash flows of the project;
- Exclusive charge on the escrow accounts of the project and all monies credited/deposited therein (in all forms);
- The loan carries an interest rate of BHFL-I-FRR HFCINS i.e 13.70% per annum and Spread of - 3.20% per annum. So, the applicable rate is 10.50% per annum.

l) One of the Group Company has obtained term loans from Aditya Birla Finance Limited ('ABFL') amounting to ₹ 1,100 (March 31, 2022: ₹ Nil) are secured against:

- First Charge over project (Land and Building) with a minimum security cover of 1.50X.
- Corporate Gurantee from **Keystone Realtors Limited**.
- First Charge over existing receivables and future cash flows in respect of the Project.

Terms of repayment along with interest charged is as follows:

- The loan is repayable in monthly installments starting from end of 36th month to 60th month of the loan facility availed from date of first disbursement i.e. December 22, 2022.
- The term loan carry interest rate at 11.00% which is below Aditya Birla Finance Limited LTRR rate, plus applicable interest tax and other statutory levy (if any) on the principal amount of the loans remaining outstanding each day.

m) One of the Group Company has taken a term loan from the Bank amounting to ₹ 4,942 (As at March 31, 2022: 8,537) and bank overdraft amounting to ₹ 1,007 (As at March 31, 2022: 3,404):

- Secured against the development rights of Project Rustomjee Elements tower SC (wing "C") getting constructed on land of 20,218 Sqmts situated at Andheri Village new DN Nagar Andheri (west) Mumbai 53 at the survey no 106, part 5 of CTS no 195 having saleable areas of 1,37,717 sq ft.
- Exclusive mortgage charge on project assets (viz. inventory of tower C over lease hold property) through registered mortgage and Charge on ESCROW account along with RERA account to be maintained with the bank.
- Loan repayable in 8 quarterly installment of ₹ 2063 Lakhs starting from September 2022.
- Loan carrying interest at the rate of 3.20% p.a above 1 year MCLR i.e. effective rate being 11.75 % p.a.

iii. Cash credit and overdraft facilities

- The overdraft facility availed from ICICI Bank Limited amounting to ₹ 123 (March 31, 2022: ₹ 2,477) is secured by same securities as that of the term loan amounting to ₹ Nil as on March 31, 2023.

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Interest rate is as follows:

The facility carries floating interest rate linked to ICICI Bank Limited I-MCLR 6M+ spread. The rate of interest on the loan is I-MCLR 6M plus 3.00% spread p.a.

(b) The cash credit facility availed from The Zoroastrian Co-operative Bank Limited amounting to ₹ 359 (March 31, 2022: Nil) is secured against registered mortgage of 3 flats belonging to the Company and directors. Interest is payable monthly @ 11.00% p.a.

(c) The overdraft facility availed from ICICI Bank Limited amounting to ₹ Nil (March 31, 2022: ₹ 168) is secured by same securities as that of the term loan amounting to ₹ 12,811. The overdraft facility has been closed during the year.

d) The overdraft facility availed from Standard Chartered Bank ('SCB') amounting to ₹ Nil (March 31, 2022: 83) is secured by same securities and repayment as that of the term loan amounting to ₹ 2,357 as on March 31, 2022.

The Group has utilised borrowings for the purposes for which it has been obtained. There are no charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

iv. Unsecured Loans and advances from related parties and others

Loans from others are repayable on demand. Interest is payable @ 0%-18% p.a.

Loans from directors/Loan from related parties are repayable on demand and carry an interest of 0%-11% p.a.

NOTE 27 - LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities	320	210
Total	320	210

NOTE 28 - TRADE PAYABLES - CURRENT

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Due to related party (refer note 42)	1	3
Due to others	35,124	30,353
Due to micro and small enterprises	161	156
Total	35,286	30,512

Current and non-current trade payable ageing Schedules for the year ended March 31, 2023 and year ended March 31, 2022:

Outstanding for the year ended March 31, 2023 from the due date of payment

Particulars	MSME	Others
Unbilled Dues	3	20,664
Not Due	75	9,767
Less than 1 year	43	2,295
1-2 year	*	389
2- 3 years	19	129
More than 3 years	1	2,550
Total	161	35,794

* Amount below rounding off norms adopted by the Company.

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Outstanding for the year ended March 31, 2022 from the due date of payment

Particulars	MSME	Others
Unbilled Dues	4	21,032
Not Due	95	2,453
Less than 1 year	55	3,531
1-2 year	0	240
2- 3 years	-	233
More than 3 years	2	3,171
Total	156	30,660

Note: Group does not have any disputed trade payables to MSME & others.

NOTE 29 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Refundable towards cancelled units	778	960
Deposit payable to joint venture	-	130
Corpus, Deposit and other charges payable to society and landowners (net)*	3,578	5,238
Employee benefits payable	1,301	720
Other payables	1,896	231
Total	7,553	7,279

Notes:

* The Group collects deposits as an agent from the customers for maintenance of the society. The unspent balance after utilisation if any, will be refunded at the time of handing over the society.

NOTE 30 - CURRENT PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefit		
Compensated absences (refer note 46)	497	439
Gratuity (refer note 46)	56	87
Others		
Provision for foreseeable loss	446	1,522
Provision for conveyance cost and incomplete work	454	453
Total	1,453	2,501
Provision for foreseeable losses:		
Balance at the beginning of the year	1,522	2,967
Addition	-	-
Less: Amount reversed	1,076	1,445
Balance at the end of the year	446	1,522

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(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 31 - CURRENT TAX LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax provision (net of advance tax)	682	2,419
Total	682	2,419

NOTE 32 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers (Contract Liabilities) (Refer note 1 below)	1,09,922	64,367
Statutory dues payable	2,014	1,011
Deferred Rent Income	-	29
Restoration liability (Refer note 2 below)	3,316	6,954
Others	283	142
Total	1,15,535	72,503

Note:

- A Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or amount of consideration is due) from the customer. If a customer pay consideration before the Group transfer goods or services to the customer, a contract liability is recognised when the payment is made.

Advance from customers expected to be settled greater than 1 year is ₹ 29,026 (March 31, 2022: ₹ 44,979)

- The liability relates to the residential redevelopment project site under development by the Group at various locations. These sites are acquired from various housing societies/individuals (referred to as 'land owners'). Under the terms of the 'Transfer of development re-development right agreement' in respect of the various residential redevelopment project sites, the land owners have granted development rights to the Group. In consideration for the development/redevelopment rights, the Group is required to provide constructed carpet area to the existing land owner.

NOTE 33 - REVENUE FROM OPERATIONS (REFER NOTE 53)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Contract with Customers		
Revenue from projects	64,612	1,25,223
Other operating income		
Sale of scrap	161	134
Others	3,793	1,580
Total	68,566	1,26,937

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 34 - OTHER INCOME

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on Financial Assets at amortised cost		
On deposits with banks	721	174
On intercorporate deposits and debentures	1,398	1,129
On others	161	114
Interest on income tax refund	8	1
Rental income	103	85
Reversal of foreseeable loss	1,076	1,445
Miscellaneous income	457	407
Total	3,924	3,355

NOTE 35 - CONSTRUCTION COSTS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cost of land, development rights and related expenses	7,698	45,799
Cost of material consumed (refer note a below)	12,900	6,245
Labour and material contractual expenses	17,896	8,430
FSI, TDR and other approval cost	12,348	22,600
Power and fuel	281	205
Insurance	13	87
Rates and taxes	4,701	2,449
Security charges	253	255
Technical and consultancy fees	1,773	1,594
Transport charges	228	102
Other site operation expenses	810	859
Allocated expenses to the project		
Depreciation and amortisation expenses (refer note 38)	12	12
Finance costs (refer note 39)	10,136	12,416
Employee benefit expenses (refer note 37)	4,345	2,996
Other expenses (refer note 40)	1,707	1,569
Total	75,101	1,05,618

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 35 (a)- Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Raw material at beginning of the year	1,083	1,077
Add: Purchases	12,924	6,250
Less: Raw material at end of the year	(1,107)	(1,083)
Total cost of materials consumed	12,900	6,244

NOTE 36 - CHANGES IN INVENTORIES OF COMPLETED SALEABLE UNITS AND CONSTRUCTION WORK-IN-PROGRESS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year		
Completed saleable units	28,487	28,102
Construction work in progress	1,77,274	1,71,461
Construction work in progress- On acquisition of subsidiary	250	-
Land	18,587	18,618
On account of merger (refer note 56)	-	294
Total (A)	2,24,598	2,18,475
Less: On loss of control of subsidiary (B)	-	(872)
Inventories at the end of the year		
Completed saleable units	57,295	28,487
Construction work in progress	1,79,746	1,77,274
Land	18,887	18,587
Total (C)	2,55,928	2,24,348
(Increase)/Decrease in stock (A-B-C)	(31,330)	(6,745)

NOTE 37 - EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and bonus	7,848	5,426
Staff welfare expenses	366	179
Contribution to provident and other funds (refer note 46)	202	142
Employee stock option expense (refer note 46)	409	-
Gratuity (refer note 46)	76	86
Employee benefits expense allocated to construction costs (refer note 35)	(4,345)	(2,996)
Total	4,556	2,837

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 38 - DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Property, plant and equipment	160	85
Amortisation of intangible assets	11	14
Depreciation on Investment property	41	41
Depreciation on Right-of-use assets	264	218
	476	358
Depreciation and amortisation expense allocated to construction costs (refer note 35)	(12)	(12)
Total	464	346

NOTE 39 - FINANCE COSTS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest		
Interest and finance charges on lease liabilities and financial liabilities not at fair value through profit or loss	12,517	14,066
Interest on statutory dues	277	283
Other borrowing costs	938	363
	13,732	14,712
Finance costs allocated to construction costs (refer note 35)	(10,136)	(12,416)
Total	3,596	2,296

NOTE 40 - OTHER EXPENSES

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertisement and publicity	2,326	1,278
Commission and brokerage	1,027	1,401
Compensation charges paid	40	451
Directors sitting fees	62	-
Legal and professional charges	1,219	983
Loss allowance on non financial assets	295	
Loss allowance on financial assets	257	
Bad debts written off:	(552)	-
Printing and stationery	43	26
Rates and taxes	2,209	2,393
Rent	77	47
Repairs and maintenance		
- Vehicles	8	14
- Others	314	118

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 40 - OTHER EXPENSES (Contd.)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales promotion	413	334
Software expenses	240	145
Stamp Duty and Registration Fees	49	44
Communication expenses	148	128
Travelling and conveyance	271	416
Corporate social responsibility expenditure	261	199
Bank charges	5	38
Impairment loss on financial assets	342	25
Outsourced manpower cost	1,750	482
Membership and subscriptions	9	13
Miscellaneous expenses	749	326
	11,562	8,861
Other expenses allocated to construction costs (refer note 35)	(1,707)	(1,569)
Total	9,855	7,292

NOTE 41- TAXATION

(a) Income tax expense recognised in statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
Current tax on profits for the year	3,043	4,837
Total current tax expense	3,043	4,837
Deferred tax		
Increase in deferred tax assets	(22)	(92)
(Decrease)/Increase in deferred tax liabilities	(199)	110
Total deferred tax (benefit)/expense	(221)	18
Income tax expense recognised in statement of profit and loss	2,822	4,855

Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income tax on remeasurements of post-employment benefit obligations	(6)	4
Income tax expense/(benefit) recognised in statement of profit and loss	(6)	4

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Difference in tax base and carrying amount of property plant and equipment and Intangible assets	7	4
Expenses allowable for tax purposes when paid/written off	632	1,324
Accumulated business losses as per tax books	2,447	1,650
Unabsorbed depreciation as per tax books	3	1
Unrealised profit on intra Group transactions	820	908
MAT Credit entitlement	317	321
Others	19	7
Deferred tax liabilities		
Impact of expenditure claimed for tax purposes in the current year but expenditure charged to the statement of profit and loss in subsequent years	(101)	(312)
Difference in tax base and carrying amount of property plant and equipment and Intangible assets	(58)	(46)
	4,086	3,857

Movement in deferred tax assets (net)

Particulars	As at March 31, 2022	(Charged)/ credited to profit and loss	(Charged)/ credited on account of acquisition of subsidiary	Utilisation of tax credit with provision for tax	(Charged)/ credited to OCI	As at March 31, 2023
Movement in deferred tax assets						
Difference in tax base and carrying amount of property plant and equipment and Intangible assets	4	1	2	-	-	7
Expenses allowable for tax purposes when paid/written off	1,324	(698)	-	-	6	632
Accumulated business losses as per tax books	1,650	797	-	-	-	2,447
Unabsorbed depreciation as per tax books	1	2	-	-	-	3
Unrealised profit on intra Group transactions	908	(88)	-	-	-	820
MAT Credit entitlement	321	(4)	-	-	-	317
Others	7	12	-	-	-	19
Movement in deferred tax liabilities						
Difference in tax base and carrying amount of property plant and equipment and Intangible assets	(46)	(12)	-	-	-	(58)
Impact of expenditure claimed for tax purposes in the current year but expenditure charged to the statement of profit and loss in subsequent years	(312)	211	-	-	-	(101)
Total	3,857	221	2	-	6	4,086

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	As at March 31, 2021	(Charged)/ credited to profit and loss	(Charged)/ credited on account of loss of control of subsidiary	Utilisation of tax credit with provision for tax	(Charged)/ credited to OCI	As at March 31, 2022
Movement in deferred tax assets						
Difference in tax base and carrying amount of property plant and equipment and Intangible assets	1	3	-	-	-	4
Expenses allowable for tax purposes when paid/written off	1,375	(46)	-	-	(4)	1,324
Difference in method of recognition of Revenue and related cost between Tax accounts and books	47	(47)	-	-	-	-
Accumulated business losses as per tax books	884	766	-	-	-	1,650
Unabsorbed depreciation as per tax books	12	(11)	-	-	-	1
Unrealised profit on intra Group transactions	1,439	(531)	-	-	-	908
MAT Credit entitlement	323	(2)	-	-	-	321
Others	265	(258)	-	-	-	7
Movement in deferred tax liabilities						
Difference in tax base and carrying amount of property plant and equipment and Intangible assets	(33)	(13)	-	-	-	(46)
Impact of expenditure claimed for tax purposes in the current year but expenditure charged to the statement of profit and loss in subsequent years	(433)	121	-	-	-	(312)
Total	3,880	(18)	-	-	(4)	3,857

(c) Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax for the year	10,772	18,438
Statutory tax rate applicable to Keystone Realtors Limited	25.17%	25.17%
Tax expense at applicable tax rate	2,711	4,641
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	220	261
Tax losses on which deferred tax not recognised	173	242
DTA recognised on previous year losses	(227)	(542)
Impact due to difference in the tax rate of subsidiaries, jointly controlled operations, creation of deferred tax and items taxable at different rates	21	63
Adjustment on account of share of profit/(loss) of associates and JV	(132)	54
Others	56	136
Income tax expense	2,822	4,855

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

(d) Unrecognised temporary differences

Temporary differences relating to investment in subsidiaries for which deferred tax liabilities have not been recognised:

Particulars	As at March 31, 2023	As at March 31, 2022
Undistributed earnings	18,207	17,626

Certain subsidiaries of the Group have undistributed earnings as stated above which, if paid out as dividends, would be subject to tax in the hands of the recipient. An associated temporary differences exists, but no deferred tax liability has been recognised as the parent entity is able to control the timing of distributions from these subsidiaries. These subsidiaries are not expected to distribute these profits in foreseeable future.

Tax losses relating to subsidiaries for which deferred tax assets have not been recognised:

Particulars	As at March 31, 2023	As at March 31, 2022
Unused tax losses for which no deferred tax asset has been recognised	779	994
Potential tax benefit @ 25.17%	196	250

The Group does not expect these deferred tax assets to be realised in the foreseeable future and therefore not recognised.

The expiry schedule of the above unrecognised losses is as follows:

Expiry date	As at March 31, 2023	As at March 31, 2022
Expiry within 5-8 years	779	994

NOTE 42 - RELATED PARTY TRANSACTIONS

(a) Names of related parties and nature of relationship:

(i) Other Related Parties with whom transactions have taken place during the year or closing balances existed at the year-end:

Key management personnel:

Mr. Boman Irani - Managing Director

Mr. Chandresh Mehta - Director

Mr. Percy Chowdhry - Director

Mr. Sajal Gupta - CFO

Associates

Megacorp Constructions LLP

Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (upto March 30, 2022)

Krishika Developers Private Limited (w.e.f January 04, 2022)

Joint Ventures

Jyotirling Construction Private Limited

Kapstone Constructions Private Limited

Toccata Realtors Private Limited (subsidiary of Kapstone Constructions Private Limited)

Entities in which Key Management personnel exercise significant influence :

Charishma Developers Private Limited

Riverstone Educational Academy Private Limited (subsidiary w.e.f April 22, 2022)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 42 - Related party transactions (Contd.)

(a) Names of related parties and nature of relationship:

(i) Other Related Parties with whom transactions have taken place during the year or closing balances existed at the year-end:

Sweete Property Developers Private Limited
Dreamz Dwellers LLP
Rustomjee Cambridge International School
Sanguinity Realty Private Limited
Manprit Real Estate Private Limited
Rustomjee Knowledge City Private Limited
Rustom Irani Foundation
Parsn Builtwell Private Limited
Partum Realtors Private Limited
Percy Chowdhry Family Trust
Chandresh Mehta Family Trust
Viking Trust
Rustomjee Academy for Global Career Private Limited

Non executive director and independent director with whom transactions have taken place during the year:

Mr. Ramesh Tainwala - Independent Director (w.e.f. May 11, 2022)
Mr. Rahul Divan - Independent Director (w.e.f. May 11, 2022)
Ms. Seema Mohapatra - Independent Director (w.e.f. May 11, 2022)

a) Transactions with related parties:

Key management personnel compensation

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits*	1,228	489
Total	1,228	489

*As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Group as a whole, the amounts pertaining to Key Management Personnel are not included.

During the year ended March 31, 2023, the Company has granted 80,000 ESOP to key management personnel.

b) Details of transactions and balances with related parties

Particulars	Joint Venture/ Associats		Relative(s) of KMP/ Entity in which KMP exercise significant influence		Key Managerial Personnel	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Transactions during the year						
1 Loan & Advances given						
Krishika Developers Private Limited	100	-	-	-	-	-
Partum Realtors Private Limited	-	-	-	80	-	-
Toccatà Realtors Private Limited	-	12,693	-	-	-	-

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

b) Details of transactions and balances with related parties (Contd.)

Particulars	Joint Venture/ Associats		Relative(s) of KMP/ Entity in which KMP exercise significant influence		Key Managerial Personnel	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Charishma Developers Private Limited	-	-	-	*	-	-
Riverstone Educational Academy Private Limited	-	-	-	501	-	-
2 Unsecured loans taken						
Mr. Boman Irani	-	-	-	-	-	1,445
Mr. Percy Chowdhry	-	-	-	-	-	250
Toccata Realtors Private Limited	-	21,287	-	-	-	-
Mr. Chandresh Mehta	-	-	-	-	-	500
Sanguinity Realty Private Limited	-	-	4,300	5,814	-	-
3 Unsecured loans repaid						
Mr. Boman Irani	-	-	-	-	459	1,528
Mr. Percy Chowdhry	-	-	-	-	435	-
Chandresh Mehta	-	-	-	-	500	-
Sanguinity Realty Private Limited	-	-	8,764	-	-	-
Toccata Realtors Private Limited	-	7,095	-	-	-	-
4 Loan & Advances repaid						
Toccata Realtors Private Limited	-	675	-	-	-	-
Krishika Developers Private Limited	100	-	-	-	-	-
Sweetly Property Developers Private Limited	-	-	-	500	-	-
Partum Realtors Private Limited	-	-	32	80	-	-
5 Rent income						
Parsn Builtwell Private Limited	-	-	5	5	-	-
Rustomjee Cambridge International School	-	-	98	62	-	-
6 Sale of material						
Sanguinity Realty Private Limited	-	-	*	3	-	-
Kapstone Constructions Private Limited	-	4	-	-	-	-
7 Interest expense						
Mr. Boman Irani	-	-	-	-	55	79
Viking Trust	-	-	-	1	-	-
Chandresh Mehta Family Trust	-	-	*	*	7	-
Mr. Percy Chowdhry	-	-	-	-	14	32
Percy Chowdhry Family Trust	-	-	-	*	-	-
Sanguinity Realty Private Limited	-	-	275	196	-	-

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

b) Details of transactions and balances with related parties (Contd)

Particulars	Joint Venture/ Associats		Relative(s) of KMP/ Entity in which KMP exercise significant influence		Key Managerial Personnel	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Mr. Chandresh Mehta	-	-	-	-	-	27
8 Purchase of material						
Sanguinity Realty Private Limited	-	-	-	1	-	-
9 Revenue from projects						
Dreamz Dwellers LLP	-	-	-	1,655	-	-
Percy Chowdhry	-	-	-	-	757	-
10 Other direct expenses						
Crest Property Solutions Private Limited	-	76	-	-	-	-
Rustomjee Knowledge City Private Limited	-	-	-	*	-	-
11 Reimbursement of expenses						
Rustomjee Knowledge City Private Limited	-	-	-	*	-	-
Kapstone Constructions Private Limited	95	-	-	-	-	-
12 Redemption of Debentures						
Toccatore Realtors Private Limited	-	2,174	-	-	-	-
Kapstone Constructions Private Limited	789	-	-	-	-	-
13 Other operating income (Possession charges)						
Percy Chowdhry	-	-	-	-	1	-
14 Outsourced manpower cost						
Crest Property Solutions LLP	-	209	-	-	-	-
Crest Property Solutions Private Limited	-	28	-	-	-	-
15 Interest on non-convertible debentures						
Kapstone Constructions Private Limited	*	*	-	-	-	-
Toccatore Realtors Private Limited	-	*	-	-	-	-
16 Corporate social responsibility expenditure						
Rustomjee Cambridge International School	-	-	-	117	-	-
Rustom Irani Foundation	-	-	14	-	-	-
17 Guarantees given						
Kapstone Constructions Private Limited	-	12,240	-	-	-	-
Partum Realtors Private Limited	-	-	-	7,000	-	-
18 Employee stock option						
Kapstone Constructions Private Limited	122	-	-	-	-	-
19 Advance received						

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

b) Details of transactions and balances with related parties (Contd)

Particulars	Joint Venture/ Associats		Relative(s) of KMP/ Entity in which KMP exercise significant influence		Key Managerial Personnel	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Kapstone Constructions Private Limited	1,443	-	-	-	-	-
20 Advance refunded						
Kapstone Constructions Private Limited	231	-	-	-	-	-
21 Service Rendered towards Property Management						
Partum Realtors Pvt Ltd	-	-	14	-	-	-
Sanguinity Realty Pvt Ltd	-	-	37	-	-	-
Balances as at the end of the year						
1 Loans receivable						
Megacorp Constructions LLP	308	308	-	-	-	-
Manprit Real Estate Private Limited	-	-	24	24	-	-
Partum Realtors Private Limited	-	-	-	32	-	-
Sweety Property Developers Private Limited	-	-	815	256	-	-
Krishika Developers Private Limited	223	223	-	-	-	-
Toccata Realtors Private Limited	12,019	12,019	-	-	-	-
Riverstone Educational Academy Private Limited	-	-	-	500	-	-
2 Unsecured loans payable						
Mr. Boman Irani	-	-	-	-	13	459
Mr. Percy Chowdhry	-	-	-	-	6	435
Toccata Realtors Private Limited	31,091	31,091	-	-	-	-
Sanguinity Realty Private Limited	-	-	1,350	5,814	-	-
Mr. Chandresh Mehta	-	-	-	-	6	500
3 Interest accrued but not due on borrowings						
Mr. Boman Irani	-	-	-	-	-	4
Mr. Chandresh Mehta	-	-	-	-	-	24
Mr. Percy Chowdhry	-	-	-	-	-	86
Sanguinity Realty Private Limited	-	-	1	-	-	-
4 Interest accrued but not due on debentures						
Kapstone Constructions Private Limited	-	*	-	-	-	-
Toccata Realtors Private Limited	-	1	-	-	-	-
5 Interest receivable on debentures						
Kapstone Constructions Private Limited	5,213	2,610	-	-	-	-

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(All amounts in ₹ Lakhs, unless otherwise stated)

b) Details of transactions and balances with related parties (Contd)

Particulars	Joint Venture/ Associats		Relative(s) of KMP/ Entity in which KMP exercise significant influence		Key Managerial Personnel	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
6 Trade Payable						
Sanguinity Realty Private Limited	-	-	1	1	-	-
Rustomjee Evershine Joint Venture	-	2	-	-	-	-
7 Investment in Debenture & Preference Shares						
Kapstone Constructions Private Limited	29,007	29,007	-	-	-	-
8 Advances for supply of goods and services						
Manprit Real Estate Private Limited	-	-	20	20	-	-
Rustomjee Academy For Global Career Private Limited	-	-	1	1	-	-
9 Trade receivable						
Dreamz Dwellers LLP	-	-	170	168	-	-
Sanguinity Realty Private Limited	-	-	-	79	-	-
Parsn Builtwell Private Limited	-	-	37	30	-	-
Rustomjee Cambridge International School	-	-	20	18	-	-
Kapstone Constructions Private Limited	22	4	-	-	-	-
Partum Realtors Pvt Ltd	-	-	3	-	-	-
Sanguinity Realty Pvt Ltd	-	-	5	-	-	-
10 Debentures Payable						
Kapstone Constructions Private Limited	208	997	-	-	-	-
11 Security deposits towards rented premises						
Rustomjee Cambridge International School	-	-	25	25	-	-
Parsn Builtwell Private Limited	-	-	10	10	-	-
12 Interest receivable on deposits						
Krishika Developers Private Limited	26	21	-	-	-	-
13 Other receivable						
Kapstone Constructions Private Limited	-	694	-	-	-	-
Dreamz Dwellers LLP	-	-	29	-	-	-
14 Guarantees given						
Kapstone Constructions Private Limited	12,240	12,240	-	-	-	-
Partum Realtors Private Limited	-	-	7,000	7,000	-	-
Dreamz Dwellers LLP	-	-	10,000	10,000	-	-
15 Employee stock option recoveries						
Kapstone Constructions Private Limited	122	-	-	-	-	-
16 Other payable						
Kapstone Constructions Private Limited	1,212	-	-	-	-	-

* Amount below rounding off norms adopted by the Company.

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

Transactions and outstanding balances with Non-executive Directors

Particulars	March 31, 2023	March 31, 2022
Transactions during the year		
Directors sitting fees and commission	-	62
Outstanding balances		
Directors sitting fees and commission	45	-

For the personal guarantee given by directors for the loans availed by the Group companies (refer note 26).

Terms and Conditions:

Transactions were done in ordinary course of business and on normal terms and conditions.

Outstanding balances are unsecured and repayable in cash.

Loan to related parties are interest free and are short term in nature.

NOTE 43 - FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets - at amortised cost		
Security deposits	3,158	1,858
Long term deposits with bank- deposits with original maturity of more than 12 months	2,042	1,773
Trade receivables	6,164	11,358
Cash and cash equivalents	36,234	5,972
Bank balances other than cash and cash equivalents	4,981	17,408
Current loans	27,844	26,198
Interest accrued on deposits with banks	210	269
Interest receivable	5,382	2,767
Deposits with land owners and housing societies	2,769	887
Receivable from JV partner	2,943	2,488
Other receivable	731	353
Receivables from related party	29	694
Financial assets - Fair value through Profit and Loss		
Investments		
- in equity instruments	9	29
- in mutual fund	8,208	1,069
- in Alternative Investment Funds ("AIF")	1,250	-
Total financial assets	1,01,954	73,122
Financial liabilities - at amortised cost		
Borrowings	1,02,410	1,55,795
Trade payables	35,955	30,816

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(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 43 - FAIR VALUE MEASUREMENTS (Contd.)

Financial instruments by category

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits towards rented premises	8	12
Refundable towards cancelled units	778	960
Deposit payable to joint venture	-	130
Corpus, Deposit and other charges payable to society and landowners (net)	3,578	5,238
Employee benefits payable	1,301	720
Interest accrued but not due on borrowings	780	240
Corpus fund payable to society	17,680	19,074
Other payables	1,896	231
Total financial liabilities	1,64,386	2,13,216

(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the consolidated financial statement.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The Mutual fund are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

The fair values of investment in debentures and borrowings, security deposits, long term deposits with bank, trade payable, corpus, security deposit towards rented premises with original maturity of more than 12 months are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

(iii) Fair value of financial instruments measured at amortised cost - Level 3

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities				
Borrowings (including interest)	1,03,189	1,03,189	1,56,035	1,56,136

For financials liabilities the carrying amounts are equal to the fair value as interest rate on financials liabilities that are measured at fair value is at the prevailing market rates.

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(All amounts in ₹ Lakhs, unless otherwise stated)

(iv) Fair value of financial instruments measured through profit and loss

Particulars	As at March 31, 2023		
	Level 1	Level 2	Level 3
Financial assets			
Investments			
- in equity instruments	-	-	9
- in mutual fund	8,208	-	-
- in Alternative Investment Funds ("AIF")	-	1,250	-
Total financial assets	8,208	1,250	9

(v) Fair value of financial instruments measured through profit and loss

Particulars	As at March 31, 2022		
	Level 1	Level 2	Level 3
Financial assets			
Investment in Equity Instruments	-	-	29
Investment in mutual fund	1,069	-	-
Total financial assets	1,069	-	29

Note 44 - Financial risk management

(i) Credit risk

Credit risks is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation.

Trade receivables

Trade receivables are generally unsecured and are derived from revenue earned from customers. Credit risks related to receivables resulting from sale of inventories is managed by requiring customers to pay the dues before transfer of possession, therefore, substantially eliminating the Group's credit risk in this respect. In case of cancellation of sales agreement by the customer, the Group shall be entitled to sell and transfer the premises to another customer, forfeit and appropriate into itself an amount equivalent to (a) 10% (ten percent) of the Sale Consideration and (b) the actual loss to occur on the resale of the premises to the new customer. Historical experience of collecting receivables of the Group is supported by low level of past default and hence the credit risk is perceived to be low.

Other financial assets

The Group has assessed for its other financial assets namely loans, interest receivable, security deposits, deposits recoverable from land owners and housing societies, receivable from JV Partner, Bank balances other than cash and cash equivalents and other receivable as high quality, negligible credit risk. The Group periodically monitors the recoverability and credit risks of its financials assets. The Group evaluates 12 month expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Group considers life time expected credit losses for the purpose of impairment provisioning.

The Group's maximum exposure to credit risk as at March 31, 2023, March 31, 2022 is the carrying value of each class of financial assets as disclosed in notes 8-9 and 13-18.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

The movement in allowance for doubtful debts, interest receivables and other advances is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2,601	2,576
Changes in loss allowances:		
Additions	343	25
Reversal	(257)	-
Closing Balance	2,687	2,601

(ii) Liquidity risk

Liquidity is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. Group's objective is to, at all time maintain optimum levels of liquidity to meet its financial obligations. The Group manages liquidity risk by maintaining sufficient cash and cash equivalents and by having access to funding through an adequate amount of committed credit lines. In addition, processes and policies related to such risks are overseen by senior management.

Maturities of financial liabilities

The table summarises the maturity profile of Group's financial liabilities based on contractual undiscounted payments:

Particulars	Maturity Profile			Total
	Less than one year	One to four years	More than four years	
As at March 31, 2023				
Borrowings (including Interest)	42,869	60,894	7,925	1,11,687
Trade payables	35,286	669	-	35,955
Security deposits towards rented premises	-	-	8	8
Refundable towards cancelled units	778	-	-	778
Corpus, Deposit and other charges payable to society and landowners (net)	1,553	2,026	-	3,579
Employee benefits payable	1,301	-	-	1,301
Corpus fund payable to societies	-	9,989	7,691	17,680
Lease liability	374	353	-	727
Other payables	1,896	-	-	1,896
	84,056	73,931	15,624	1,73,612

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

Maturities of financial liabilities

The table summarises the maturity profile of Group's financial liabilities based on contractual undiscounted payments:

Particulars	Maturity Profile			Total
	Less than one year	One to four years	More than four years	
As at March 31, 2022				
Borrowings (Including Interest)	93,451	64,304	15,182	1,72,937
Trade payables	30,511	304	-	30,815
Security deposits towards rented premises	-	-	12	12
Refundable towards cancelled units	960	-	-	960
Deposit payable to joint venture	130	-	-	130
Corpus, Deposit and other charges payable to society and landowners (net)	1,371	3,867	-	5,238
Employee benefits payable	720	-	-	720
Corpus fund payable to societies	-	11,800	7,274	19,074
Lease liability	247	265	-	512
Other payables	231	-	-	231
	1,27,621	80,540	22,468	2,30,629

(iii) Market Risk

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

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is not materially exposed to any foreign exchange risk during the reporting periods.

(b) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to risk of changes in market rate is limited to borrowings (excluding vehicle loans and non-convertible debentures) which bear floating interest rate.

The Group's fixed rate borrowings are carried at amortised cost. 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.

The Group manages interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

(a) Interest rate exposure

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing	37,733	77,242
Total	37,733	77,242

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Group's profit before tax will be impacted by a change in interest rate as follows:

Particulars	Increase/(decrease) in profit before tax	
	As at March 31, 2023	As at March 31, 2022
Increase in interest rate by 100 basis points (20 bps)	(377)	(155)
Decrease in interest rate by 100 basis points (20 bps)	377	155

NOTE 45 - CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Parent, non-controlling interest and borrowings (including interest accrued and lease liability).

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns for its shareholders. The capital structure of the Group is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs.

The Group monitors the capital structure on the basis of debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The Group considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's aim is to translate profitable growth to superior cash generation through efficient capital management. The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The table below summarises the capital, debt and debt to equity ratio of the Group:

Particulars	As at March 31, 2023	As at March 31, 2022
Equity share capital	11,388	10,003
Other equity	1,55,553	83,261
Total equity attributable to owners of the parent	1,66,941	93,264
Non-controlling interests	1,732	3,051
Total equity (A)	1,68,673	96,315
Borrowings (including interest accrued and lease liability)	1,03,806	1,56,495
Total Debt	1,03,806	1,56,495
Debt to equity ratio	0.62	1.62

The Group was in compliance with all of its debt covenants for borrowings as at each of the dates mentioned above.

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 46 - EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Compensated absences	-	-
Gratuity	173	270
Current		
Compensated absences	497	439
Gratuity	56	87
Total	726	796

(i) Leave obligations

The leave obligations cover the Group's liability for casual, sick and earned leave.

The amount of provision of ₹ 497 (March 31, 2022: ₹ 439) is presented as current, since the Group does not have unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within next 12 months.

Particulars	As at March 31, 2023	As at March 31, 2022
Leave obligations not expected to be settled within next 12 months	334	329

(ii) Defined contribution plans

The Group has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. During the year, the Group has recognised ₹ 202 (March 31, 2022: ₹ 149) in the consolidated statement of profit and loss or construction work-in-progress.

(iii) Post employment obligations

Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Balance Sheet Amounts - Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2021	571	(238)	333
Current service cost	55	-	55
Liability Transferred Out/ Divestments	10	(2)	8

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(All amounts in ₹ Lakhs, unless otherwise stated)

Balance Sheet Amounts - Gratuity (Contd.)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Interest expense/(income)	32	(9)	23
Total amount recognised in profit and loss	97	(11)	86
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	3	3
(Gain)/loss from change in demographic assumptions	(19)	-	(19)
(Gain)/loss from change in financial assumptions	4	-	4
Experience (gains)/losses	(10)	-	(10)
Total amount recognised in other comprehensive income	(25)	3	(22)
Employer contributions	-	(40)	(40)
Benefit payments	(52)	52	(0)
As at March 31, 2022	592	(235)	357

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at March 31, 2022	592	(235)	357
Current service cost	50	-	50
Liability Transferred Out/ Divestments	-	-	-
Interest expense/(income)	33	(7)	26
Total amount recognised in profit and loss	83	(7)	76
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(1)	(1)
(Gain)/loss from change in demographic assumptions	(19)	-	(19)
(Gain)/loss from change in financial assumptions	(18)	-	(18)
Experience (gains)/losses	62	-	62
Total amount recognised in other comprehensive income	25	(1)	24
Employer contributions	-	(209)	(209)
Benefit payments	(46)	27	(19)
As at March 31, 2023	654	(425)	229

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as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

The net liability disclosed above relating to funded and unfunded plans is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded obligations	641	579
Fair value of plan assets	(425)	(235)
Deficit of funded plan	217	345
Unfunded plans	12	12
Deficit of gratuity plan	229	357

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	6.41%	6.41%
Employee turnover	20.00%	14.58%
Salary growth rate	10.00%	8.00% p.a. for the next 1 years, 10.00% p.a. thereafter, starting from the 2 nd year
Mortality rate	Indian Assured Lives Mortality 2012-14 (Urban)	

(iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions by 1% is as below:

Particulars	Impact on defined benefit obligation			
	Increase in assumptions		Decrease in assumptions	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Discount rate	(19)	(25)	21	28
Salary growth rate	15	19	(15)	(20)
Employee turnover	(1)	(4)	1	3

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) The major categories of plan assets are as follows

The plan asset for the funded gratuity plan is administered by Life Insurance Corporation of India ('LIC') as per the investment pattern stipulated for Pension and Group Schemes fund by Insurance Regulatory and Development Authority regulations i.e. 100% of plan assets are invested in insurer managed fund. Quoted price of the same is not available in active market.

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(All amounts in ₹ Lakhs, unless otherwise stated)

(vi) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: A fall in the discount rate which is linked to the government securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset liability matching risk (ALM risk): The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration risk: Plan is having a concentration risk as all the assets are invested with the insurance Group and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

(vii) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ended March 31, 2023 is ₹ 56 (March 31, 2022: ₹ 87).

The weighted average duration of the defined benefit obligation is 8-10 years. The expected maturity analysis of undiscounted gratuity is as follows:

Projected benefits payable in future years from the date of reporting	As at March 31, 2023	As at March 31, 2022
1 st following year	118	77
Sum of years 2 to 5	316	225
Sum of years 6 to 10	212	217
Sum of years 11 and above	121	229

(viii) Employee stock option plan

The establishment of the Rustomjee Employee Stock Option Plan 2022 was approved by the Shareholders on May 11, 2022. Under the plan, participants are granted options which vest at 25% each year over the period of four years of service from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Notes to the Consolidated Financial Statements

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Once vested, the options remain exercisable for a period of four years. When exercisable, each option is convertible into one equity share. Set out below is a summary of options granted under the plan:

Particulars	March 31, 2023		March 31, 2022	
	Average exercise price per share option (₹ in absolute)	Number of options	Average exercise price per share option (₹ in absolute)	Number of options
Opening balance	-	-	-	-
Granted during the year	480	9,46,900	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	480	(57,600)	-	-
Closing balance	480	8,89,300	-	-

During the current valuation period, no options have been exercised and no options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Vesting date	Exercise price (₹ in absolute)	Share options as at March 31, 2023	Fair value of option (₹ in absolute)
01-Aug-22	01-Aug-23	480	2,22,325	191
01-Aug-22	01-Aug-24	480	2,22,325	221
01-Aug-22	01-Aug-25	480	2,22,325	247
01-Aug-22	01-Aug-26	480	2,22,325	272

Weighted average remaining contractual life of options outstanding at end of period is 5.84.

Fair value of options granted:

The fair value at grant date is independently determined using the Black-Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended March 31, 2023 included:

- Vested options are exercisable for a period of four years after vesting
- exercise price: ₹ 480 (in absolute)
- grant date: August 01, 2022
- share price at grant date: ₹ 499.34 (in absolute)
- expected price volatility of the Company's shares: 43%
- Dividend yield: 0%
- risk-free interest rate: 6.95% to 7.27%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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NOTE 47 - SEGMENT REPORTING

The board of directors (BOD) are the Group's chief operating decision maker. Management has determined the operating segments based on the information reviewed by the BOD for the purposes of allocating resources and assessing performance.

Presently, the Group is engaged in only one segment viz 'Real estate and allied activities' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. The Group has operations only within India.

Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount of charge for depreciation during the year is as reflected in the consolidated financial statement as of and for the year ended March 31, 2023.

Non-current assets excluding financial assets, current tax assets and deferred tax assets amounting to ₹ 59,455 (March 31, 2022: ₹ 60,749) are located entirely in India.

NOTE 48 - LIABILITIES FROM FINANCING ACTIVITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings (including interest accrued and lease liability)	1,03,805	1,56,495
Net Debt	1,03,805	1,56,495

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	1,56,495	1,26,315
Proceeds from borrowings	71,493	95,935
Addition of Lease Liabilities	399	636
Repayment of borrowings	(1,18,308)	(61,600)
Interest expense recorded in profit and loss	13,455	14,429
Finance costs paid	(19,540)	(18,415)
Payment of lease liabilities (including interest)	(308)	(240)
Non Cash adjustment on account of loss of control:		
Borrowing	-	(665)
Conversion of optionally convertible debentures into equity shares (refer note 21)	(9)	-
Other non-cash adjustments	128	-
On acquisition of subsidiary	-	100
Closing Balance	1,03,805	1,56,495

Also refer note 64 for gain on modifications of borrowings between the Company and its subsidiaries.

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NOTE 49 - EARNINGS PER SHARE

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Basic		
Profit for the year attributable to the equity holders of the Company	8,195	13,962
Weighted average number of equity shares outstanding at the year end	10,68,59,486	10,00,30,680
Earnings per Equity shares attributable to the equity holders of the Company (Basic) (In ₹)	7.67	13.96
(b) Diluted		
Profit for the year attributable to the equity holders of the Company	8,195	13,962
Add: Interest expenses on convertible debentures (net of tax)	-	1
Adjusted net profits for the year to the equity holders of the Company used in calculating diluted earning per share	8,195	13,963
Weighted average number of equity shares outstanding	10,68,59,486	10,00,30,680
Add: Weighted average number of potential shares on account of convertible debenture	-	9,113
Add: Weighted average number of potential shares on account of Employee stock option plan	43,186	-
Weighted average number of equity shares outstanding for the purpose of diluted EPS	10,69,02,672	10,00,39,793
Earnings per Equity shares attributable to the equity holders of the Company (Diluted) (In ₹)	7.67	13.96
Nominal value per equity share (₹)	10	10

Note 50 - Contingent liabilities

Description	As at March 31, 2023	As at March 31, 2022
Income tax matters (refer Note 4 below)	2,092	5,465
Indirect tax matters (refer Note 5 below)	10,525	10,237
Other Matter (refer Note 6 below)	375	375
Stamp Duty (refer Note 3 below)	91	91

- It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the respective proceedings.
- The Group has evaluated the impact of the Supreme Court (SC) judgment dated February 28, 2019 in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the Group believes that the aforesaid judgement does not have material impact on the Group. The Group will continue to monitor and evaluate its position based on future events and developments.

Notes to the Consolidated Financial Statements as at and for the year ended March 31, 2023

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- One of the Group Company has been issued a notice by I.G.R (Pune) w.r.t short levy of stamp duty. In an order passed by the I.G.R, the Group Company had been asked to pay the stamp duty at 5% on the entire monetary consideration paid under the development agreement amounting to short levy of stamp duty along with interest of ₹ 181. The Group Company has challenged the said order by filing a writ petition by citing the various provisions of 'the Maharashtra Stamp Act', and the matter is pending before the Bombay High Court. As per direction of the High Court, the Group Company has deposited a sum of ₹ 90 in the Court.
- The Group has ongoing disputes with direct tax authorities relating to tax treatment of certain items in the Group. These mainly include timing difference of expenses claimed, tax treatment of certain items of income/expense, etc.
- There are pending litigations relating to input tax credit matters of Group entities including interest and penalties.
- Company is involved in the certain legal and civil claims.

Note 51 - Events after the reporting period

Subsequent to year end, the National Company Law Tribunal (NCLT) has approved the scheme of amalgamation of Toccata Realtors Private Limited with the Company ("the scheme"). The certified copy of the order is awaited. Considering amalgamation is not a business combination as per IND AS 103 "Business combinations", the impact of the same will be given from the effective date as defined in the scheme.

Note 52 - Assets pledged as security

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	3,387	11,190
Vehicles	131	-
In deposit accounts	463	359
In current and escrow accounts	360	866
Inventories	1,25,880	1,50,658
Total	1,30,221	1,63,073

Note 53 - Ind AS 115, Revenue from Contracts with Customers

Note 53.1 - Unsatisfied performance obligation

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	11,656	66,033

Reconciliation of revenue recognised with contract price:

Particulars	As at March 31, 2023	As at March 31, 2022
Contract price	69,778	1,26,937
Less: Discount	(1,212)	-
Revenue from operations	68,566	1,26,937

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 53.2 - Disaggregation of revenue from contracts with customers.

Currently the Group is engaged in only one segment which is real estate and allied activities and accordingly there is single stream of revenue, hence disaggregation of revenue from contracts with customers is not applicable.

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Timing of recognition		Timing of recognition	
	At a point in time	Over time	At a point in time	Over time
Revenue from Operations	67,966	600	1,26,937	-

Note 54 - Other notes

A suit was filed before The Honourable High Court, Mumbai by Ardeshir Dubhash Trust, Lessor of the Land on which Project Evershine Meadows, Mahim has been undertaken by the Joint Venture. The said suit was filed by the Lessor against the Lessee and/or the Assignees including M/s.Girnar Developers, Evershine Builders Private Limited and Evershine Premium Buildtech Joint Venture challenging their rights and title to the said land and for getting Injunction against further Construction/Sale/Approvals to be made /obtained by Evershine Premium Buildtech Joint Venture. As the Lease of the said land has expired in March 2015. Subsequently, a Memorandum of Understanding has been executed among the parties. As per the terms of MOU, the Plaintiffs are required to obtain sanction from the Charity Commissioner. After obtaining such sanction, the Consent Terms will be executed among the parties and lease will be renewed. The total consideration payable by Evershine Premium Buildtech Joint Venture was based on further negotiations and the sum has been agreed at ₹ 1,500 plus stamp duty, registration, miscellaneous costs and legal cost estimated at ₹ 160 totaling to ₹ 1,660. Out of the amount agreed a sum of ₹ 750 has been transferred to the escrow account by Evershine Premium Buildtech Joint Venture, which has been treated as part payment for renewal of lease/land conveyance and is also adjusted against the provision.

The sanction from charity commissioner is pending to be received upon which the balance payment will be settled.

These financial statements include proportionate effect of above transactions of the joint operation (i.e 50% interest in joint operation).

Note 55 - Provision for foreseeable loss

The cost to complete estimates reflect foreseeable loss of ₹ 445 (March 31, 2022: ₹ 1,522) on a project of the Group. The differential of ₹ 1,076 represents reversal of foreseeable loss provision, considering improvement in net realisable value as an income during the year in consolidated statement of profit and loss.

Further on account of aforesaid change, Changes in inventories of completed saleable units and construction work-in-progress includes reversal of inventories to net realisable value amounted to ₹ 1,255 (March 31, 2022: ₹ 3,347).

Note 56 - Disclosure in respect of Scheme of arrangement

(A) Scheme of Arrangement

- Kapstone Constructions Private Limited (Joint Venture of the Group and erstwhile subsidiary) ("KCPL") had filed the Scheme of Arrangement with National Company Law Tribunal ("NCLT") for the Demerger of the Commercial Undertaking of the project Rustomjee Urbania into Group Subsidiary Company, Enticier Realtors Private Limited ("Enticier"). The said Scheme of Arrangement was approved by the NCLT in its hearing held on September 23, 2021. Accordingly, Enticier has allotted shares worth ₹ 262 to the shareholders of KCPL.

Note 57 - Loss of control

Financial Year 2021-22

Until January 04, 2022, the Group held 51% equity shares in Krishika Developers Private Limited ("KDPL") and the Group controlled the voting interests and therefore consolidated KDPL as a subsidiary. On January 04, 2022, the Group sold 14.50% stake in KDPL. This resulted in the Group's loss of control over its former subsidiary KDPL with the investment now retained as interest in an associate.

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The carrying amounts of assets and liabilities as at the date the Group lost the control (January 04, 2022) were as follows:

Particulars	January 04, 2022
Inventory	872
Other assets	30
Total assets	902
Borrowings	908
Other liabilities	2
Total liabilities	910
Net liabilities	8

Details of the gain on loss of control of the subsidiary

Particulars	January 04, 2022
Fair value of the retained investment	1
Carrying value of non-controlling interest	(4)
Sub-total	(3)
Less: Carrying value of net liabilities	8
Less: Consideration received	*
Gain on loss of control of subsidiary	5

* Amount below rounding off norms adopted by the Company.

Note 58 - Business Combinations

(a) Summary of acquisition

Keystone Realtors Limited (holding Company) has acquired control over following companies:

Kapstar Realty LLP (w.e.f. April 01, 2021)	99%
Crest Property Solutions Private Limited (w.e.f. March 31, 2022)	51%
Keybloom Realty Private Limited (formerly known as Bloom Farmtech Private Limited) (w.e.f. October 12, 2021)	100%
Riverstone Educational Academy Private Limited (w.e.f. April 22, 2022)#	100%
Key Green Realtors Private Limited (w.e.f. March 31, 2023)	100%
Keysteps Realtors Private Limited (w.e.f. March 31, 2023)	100%
Mirabile Realtors Private Limited (w.e.f. March 31, 2023)	100%

including step down subsidiary Mt K Kapital Private Limited

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(All amounts in ₹ Lakhs, unless otherwise stated)

All of the entities have country of incorporation and place of business is in India and is engaged in the business of real estate and other related activities.

Details of purchase consideration, net assets acquired and goodwill are given below:

(i) Purchase consideration

Particulars	Mirabile Realtors Private Limited (FY 2022-23)	Keysteps Realtors Private Limited (FY 2022-23)	Key Green Realtors Private Limited (FY 2022-23)	Riverstone Educational Academy Private Limited (FY. 2022-23)	Crest Property Solutions Private Limited (FY. 2021-22)	Kapstar Realty LLP (FY. 2021-22)	Keybloom Realty Private Limited (FY 2021-22)
Cash Paid	1	*	*	1	9	1	1
Total purchase consideration	1	*	*	1	9	1	1

* Amount below rounding off norms adopted by the Company.

(ii) Assets and liabilities recognised as a result of acquisition

Particulars	Mirabile Realtors Private Limited (Fair Values)	Key Green Realtors Private Limited (Fair Values)	Keysteps Realtors Private Limited (Fair Values)	Riverstone Educational Academy Private Limited (Fair Values)	Crest Property Solutions Private Limited (Fair Values)	Kapstar Realty LLP (Fair Values)	Keybloom Realty Private Limited (Fair Values)
Assets acquired							
Cash and bank balances	4	15	2	9	195	3	1
Trade receivables	-	-	-	-	633	-	-
Other current and non-current assets (financial and non-financial)	212	93	1	533	243	300	-
Liabilities Assumed							
Trade payables	-	-	-	(4)	(387)	-	-
Other liabilities	(215)	(108)	(3)	(556)	(366)	(303)	*
Net assets acquired/(liabilities assumed)	1	*	*	(18)	318	*	1

* Amount below rounding off norms adopted by the Company.

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

(iii) Calculation of goodwill

Particulars	Mirabile Realtors Private Limited	Keysteps Realtors Private Limited	Key Green Realtors Private Limited	Riverstone Educational Academy Private Limited	Crest Property Solutions Private Limited	Kapstar Realty LLP	Keybloom Realty Private Limited
Consideration transferred	1	*	*	1	9	1	1
Fair value of existing investment	-	-	-	-	125	-	-
Non-controlling interest in the acquired entity	-	-	-	(2)	155	-	-
Less: Net identifiable (assets)/liabilities acquired	(1)	*	*	18	318	*	(1)
Adjustment on account of acquisition	*	-	-	(16)	-	*	*
Goodwill/(Capital reserve)	-	*	*	-	(29)	-	-

* Amount below rounding off norms adopted by the Company.

(iv) Acquired receivables

The gross contractual amount of the acquired receivables with respect to Mirabile Realtors Private Limited, Keysteps Realtors Private Limited, Key Green Realtors Private Limited, Riverstone Educational Academy Private Limited, Crest Property Solutions Private Limited, Kapstar Realty LLP and Keybloom Realty Private Limited represent the fair value. There are no loss allowances on the acquired receivables.

(v) Accounting policy choice for non-controlling interest

The Group recognises non-controlling interests in acquired entities either at the fair value or at the non-controlling interests proportionate share of acquired entity's identifiable net assets. This decision is made on an acquisition to acquisition basis. The Group acquired three subsidiaries during the period. The Group elected to recognise the non-controlling interest at its proportionate share of the acquired net identifiable assets.

(b) Purchase consideration - cash outflow/ inflow

Particulars	As at March 31, 2023	As at March 31, 2022
Outflow of cash to acquire subsidiary		
Cash consideration	2	11
Less: Balance acquired	-	
Cash	31	199
Net inflow of cash	29	188

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Note 59 - Interest in other entities

(a) Subsidiaries

The Group's subsidiaries are set out below. Unless otherwise stated, the proportion of ownership interests held equals the voting right held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interests		Principal activities
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	
Rustomjee Realty Private Limited	India	90%	90%	10%	10%	Real Estate
Credence Property Developers Private Limited	India	100%	100%	-	-	Real Estate
Nouveau Developers Private Limited	India	73%	73%	27%	27%	Real Estate
Xcellent Realty Private Limited	India	100%	100%	-	-	Real Estate
Firestone Developers Private Limited	India	73%	73%	27%	27%	Real Estate
Imperial Infradevelopers Private Limited	India	100%	100%	-	-	Real Estate
Intact Builders Private Limited	India	100%	100%	-	-	Real Estate
Dynasty Infrabuilders Private Limited	India	100%	100%	-	-	Real Estate
Amaze Builders Private Limited	India	100%	100%	-	-	Real Estate
Keystone Infrastructure Private Limited	India	100%	33%	0%	67%	Real Estate
Kingmaker Developers Private Limited	India	100%	100%	-	-	Real Estate
Premium Build Tech LLP	India	75%	75%	25%	25%	Real Estate
Navabhyudaya Nagar Development Private Limited	India	100%	100%	-	-	Real Estate
Enticier Realtors Private Limited	India	100%	100%	-	-	Real Estate
Key Galaxy Realtors Private Limited	India	100%	100%	-	-	Real Estate
Keyblue Realtors Private Limited	India	100%	100%	-	-	Real Estate
Keyheights Realtors Private Limited	India	100%	100%	-	-	Real Estate
Key Interiors Realtors Private Limited	India	100%	100%	-	-	Real Estate
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (w.e.f March 31, 2022)	India	51%	51%	49%	49%	Housekeeping

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Note 59 - Interest in other entities (Contd.)

(a) Subsidiaries

The Group's subsidiaries are set out below. Unless otherwise stated, the proportion of ownership interests held equals the voting right held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interests		Principal activities
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	
Flagranti Realtors Private Limited	India	100%	100%	-	-	Real Estate
Keyspace Realtors Private Limited	India	100%	100%	-	-	Real Estate
Keysky Realtors Private Limited	India	100%	100%	-	-	Real Estate
Ferrum Realtors Private Limited	India	100%	100%	-	-	Real Estate
Rebus Realtors LLP	India	99.99%	99.99%	0.01%	0.01%	Real Estate
Kapstar Realty LLP	India	99%	99%	1%	1%	Real Estate
Keybloom Realty Private Limited (formerly known as Bloom Farmtech Private Limited)	India	100%	100%	-	-	Real Estate
Luceat Realtors Private Limited	India	58%	58%	42%	42%	Real Estate
Riverstone Educational Academy Private Limited	India	100%	0%	0%	0%	Real Estate
Mt K Kapital Private Limited [#]	India	84%	0%	16%	0%	Real Estate
Keyorbit Realtors Private Limited	India	100%	0%	0%	0%	Real Estate
Keyvihar Realtors Private Limited	India	100%	0%	0%	0%	Real Estate
Mirabile Realtors Private Limited	India	100%	0%	0%	0%	Real Estate
Keysteps Realtors Private Limited	India	100%	0%	0%	0%	Real Estate
Key Green Realtors Private Limited	India	100%	0%	0%	0%	Real Estate

[#]subsidiary of Riverstone Educational Academy Private Limited.

(i) Significant judgment: Consolidation of entities with less than 50% voting interest

As at March 31, 2022, the Group has concluded that it controls Keystone Infrastructure Private Limited, even though it holds less than half of the equity interest as it has majority voting rights.

(ii) Significant judgment: Classification of joint arrangements

The joint arrangements agreements require unanimous consent from all parties for all relevant activities. The partners have direct rights to the assets of the partnership and are jointly and severally liable for the liabilities incurred by the partnership. This entity is therefore classified as a joint operation and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses.

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(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Year	Current assets	Current liabilities	Net current assets/(liabilities)	Non-current assets	Non-current liabilities	Net non-current assets/(liabilities)	Net assets/(liabilities)	Accumulated NCI
Rustomjee Realty Private Limited	As at March 31, 2023	22,732	6,452	16,280	14,239	10,754	3,484	19,765	1,977
	As at March 31, 2022	44,261	16,600	27,661	1,459	10,329	(8,870)	18,791	1,879
Rebus Realtors LLP	As at March 31, 2023	132	135	(3)	-	-	-	(3)	•
	As at March 31, 2022	132	134	(2)	-	-	-	(2)	•
Kapstar Realty LLP	As at March 31, 2023	302	302	•	-	-	-	•	•
	As at March 31, 2022	303	303	•	-	-	-	•	•
Nouveau Developers Private Limited	As at March 31, 2023	932	1,144	(212)	249	-	249	38	10
	As at March 31, 2022	972	1,172	(200)	251	-	251	51	14
Firestone Developers Private Limited	As at March 31, 2023	341	577	(237)	66	-	66	(171)	(46)
	As at March 31, 2022	295	508	(213)	43	-	43	(170)	(46)
Keystone Infrastructure Private Limited	As at March 31, 2023	24,683	23,040	1,642	1,388	2,056	(668)	975	-
	As at March 31, 2022	31,412	30,663	749	837	8	829	1,578	1,066
Premium Build Tech LLP	As at March 31, 2023	1,477	1,237	241	4	-	4	245	61
	As at March 31, 2022	1,467	1,214	253	2	-	2	255	63
Luceat Realtors Private Limited	As at March 31, 2023	20,132	21,544	(1,412)	486	11	476	(936)	(391)
	As at March 31, 2022	14,286	15,067	(781)	292	11	281	(500)	(211)
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP)	As at March 31, 2023	977	852	125	231	-	231	356	174
	As at March 31, 2022	909	753	156	162	-	162	318	156

Notes to the Consolidated Financial Statements

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(All amounts in ₹ Lakhs, unless otherwise stated)

(b) Non-controlling interests (NCI) (Contd.)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	Year	Current assets	Current liabilities	Net current assets/ (liabilities)	Non-current assets	Non-current liabilities	Net non-current assets/ (liabilities)	Net assets/ (liabilities)	Accumulated NCI
Riverstone Educational Academy Private Limited (including Mt K Kapital Private Limited)	As at March 31, 2023	766	1,496	(730)	359	-	359	(371)	(52)

* Amount below rounding off norms adopted by the Company.

Non-controlling interest as at March 2022 includes amount of ₹ 128 pertaining to Enticier Realtors Private Limited

Summarised statement of profit and loss	Year ended	Total income	Profit/ (loss) for the year	Other comprehensive income/ (loss)	Total comprehensive income/ (loss)	Profit/ (loss) allocated to NCI	Dividends paid to NCI
Rustomjee Realty Private Limited	March 31, 2023	11,385	978	(1)	976	98	-
	March 31, 2022	30,320	4,138	(1)	4,137	414	-
Kapstar Realty LLP	March 31, 2023	-	*	-	(1)	*	-
	March 31, 2022	-	(1)	-	(1)	*	-
Nouveau Developers Private Limited	March 31, 2023	1	(13)	-	(13)	(4)	-
	March 31, 2022	5	(1)	-	(1)	*	-
Firestone Developers Private Limited	March 31, 2023	-	(1)	-	(1)	*	-
	March 31, 2022	-	45	-	45	12	-
Keystone Infrastructure Private Limited	March 31, 2023	16,759	(984)	5	(978)	(124)	-
	March 31, 2022	8,003	(916)	4	(912)	(616)	-
Rebus Realtors LLP	March 31, 2023	-	(1)	-	(1)	*	-
	March 31, 2022	-	(2)	-	(2)	*	-
Premium Build Tech LLP	March 31, 2023	30	(11)	-	(11)	(3)	-
	March 31, 2022	84	77	-	77	19	-

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Summarised statement of profit and loss	Year ended	Total income	Profit/ (loss) for the year	Other comprehensive income/ (loss)	Total comprehensive income/ (loss)	Profit/ (loss) allocated to NCI	Dividends paid to NCI
Luceat Realtors Private Limited	March 31, 2023	11	(437)	-	(437)	(184)	-
	March 31, 2022	14	(496)	-	(496)	(208)	-
Riverstone Educational Academy Private Limited (including Mt K Kapital Private Limited)	March 31, 2023	127	(353)	-	(353)	(46)	
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP)	March 31, 2023	2,855	37	-	37	18	

* Amount below rounding off norms adopted by the Company.

Summarised cash flows	Year ended	Operating activities	Investing activities	Financing activities	Net increase/ (Decrease) in cash and cash equivalents
Rustomjee Realty Private Limited	March 31, 2023	12,971	(4,446)	(7,679)	846
	March 31, 2022	15,623	(13,247)	(2,819)	(443)
Nouveau Developers Private Limited	March 31, 2023	(61)	81	20	40
	March 31, 2022	(51)	(25)	80	4
Firestone Developers Private Limited	March 31, 2023	(68)	-	67	(1)
	March 31, 2022	30	-	(27)	3
Keystone Infrastructure Private Limited	March 31, 2023	8,106	(621)	(7,246)	240
	March 31, 2022	2,936	37	(3,937)	(964)
Premium Build Tech LLP	March 31, 2023	(43)	12	20	(11)
	March 31, 2022	(21)	9	*	(12)
Rebus Realtors LLP	March 31, 2023	(4)	-	-	(4)
	March 31, 2022	(68)	-	73	5
Luceat Realtors Private Limited	March 31, 2023	4,833	79	(4,454)	458
	March 31, 2022	(1,524)	(52)	1,801	225
Kapstar Realty LLP	March 31, 2023	*	-	-	*
	March 31, 2022	*	-	-	*
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP)	March 31, 2023	66	(47)	-	19

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Summarised cash flows	Year ended	Operating activities	Investing activities	Financing activities	Net increase/ (Decrease) in cash and cash equivalents
Riverstone Educational Academy Private Limited (including Mt K Kapital Private Limited)	March 31, 2023	(266)	(288)	549	(4)
Krishika Developers Private Limited (w.e.f December 07, 2020)	March 31, 2023	-	-	-	-
	March 31, 2022	(35)	*	57	21

* Amount below rounding off norms adopted by the Company.

(c) Transactions with non-controlling interests

Particulars	As on March 31, 2023	As on March 31, 2022
Gain on modification in terms of borrowings (refer note 64)	131	845
Adjustment on account of acquisition of subsidiary (refer note 58)	(3)	156
Other adjustments	(128)	-
Share application money pending allotment (refer note 56)	-	128
Acquisition of Non-controlling interest (refer note i below)	(1,074)	-
Adjustment on account of loss of control (refer note 57)	-	6

- (i) During the year ended March 31, 2023, the Group acquired further 67.25% stake in Keystone Infrastructure Private Limited for ₹ 5,242 on May 18, 2022. As on March 31, 2022 the Group held 32.75% stake in Keystone Infrastructure Private Limited. The Group recognised a decrease in non-controlling interests of ₹ 1,074 and a decrease in equity attributable to owners of the parent of ₹ 4,168.

(d) Interests in associates and joint venture

Set out below are the associates and joint venture of the Group. The entities listed below are held directly by the Group. Unless otherwise stated, the country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. These associates and joint ventures are primarily engaged in the business of real estate and allied activities.

Name Of Entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					As at March 31, 2023	As at March 31, 2022
Kapstone Constructions Private Limited [#]	India	51.00%	Joint Venture	Equity	54,753	56,412
Megacorp Constructions LLP	India	50.00%	Associate	Equity	-	-
Jyotirling Constructions Private Limited	India	50.00%	Joint Venture	Equity	-	-
Krishika Developers Private Limited	India	36.50%	Associate	Equity	*	*

* Amount below rounding off norms adopted by the Company.

[#]including Toccata Realtors Private Limited (subsidiary of Kapstone Constructions Private Limited)

Note: The fair value of investment in associates and joint venture have not been disclosed as the shares of these entities are not quoted.

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(All amounts in ₹ Lakhs, unless otherwise stated)

The Group held 51% equity shares in Kapstone Constructions Private Limited (KCPL) and it controlled the voting interests and therefore concluded that it exercised control over KCPL until October 20, 2020. Subsequent to October 20, 2020, all decisions require unanimous approval of the shareholders and therefore, it was determined that the Group has a joint control over KCPL

(e) Financial Information of Material JV

Kapstone Constructions Private Limited is a material JV to the Group and is engaged in real estate activities #

Summarised balance sheet	As at March 31, 2023	As at March 31, 2022
Current Assets		
Cash and Cash Equivalents	2,859	838
Other Assets	1,32,796	97,004
Total Current Assets	1,35,655	97,842
Total Non-Current Assets	8,186	10,681
Current Liabilities		
Financial Liabilities (excluding Trade Payables)	37,631	27,965
Other Liabilities	64,658	33,993
Total Current Liabilities	1,02,289	61,958
Non-Current Liabilities		
Financial Liabilities (excluding trade payables)	57	1,848
Other Liabilities	59	62
Total Non-Current Liabilities	116	1,910
Net Assets	41,436	44,655

Summarised Statement of Profit and Loss	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue	6,571	8,889
Interest Income	401	251
Other Income	2,407	624
Depreciation and amortisation	(46)	(35)
Interest expense	(18)	(125)
Income Tax Benefit/ (Expenses)	(76)	252
Other expense	(8,212)	(10,374)
Profit for the year	1,027	(518)
Other Comprehensive Income	11	24
Total Comprehensive Income	1,038	(494)

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(All amounts in ₹ Lakhs, unless otherwise stated)

Reconciliation to carrying amounts	As at March 31, 2023	As at March 31, 2022
Opening net assets	44,654	49,666
Total Comprehensive Income	1,038	(494)
Less: Interest on Compulsory Convertible Debenture and Dividend	(4,256)	(4,518)
Closing net assets	41,436	44,654
Group's share in %	51%	51%
Group's share in ₹	21,132	22,774
Fair value of Guarantee	(18)	-
Goodwill	33,638	33,638
Carrying amount	54,753	56,412

#including Toccata Realtors Private Limited (subsidiary of Kapstone Constructions Private Limited)

(f) Commitments and contingent liabilities in respect of associates and joint venture

Description	As at March 31, 2023	As at March 31, 2022
Money for which the Group is contingently liable		
Income tax matters	5,770	5,770
Indirect tax matters	188	188

- 1) It is not practicable for the JV Company to estimate the timing of cash outflows, if any, in respect of above matters pending resolution of the respective proceedings.
- 2) The JV Company has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Standalone Financial Statements. The Company will continue to monitor and evaluate its position based on future events and developments.
- 3) The JV Company has ongoing disputes with direct tax authorities relating to tax treatment of certain items. These mainly include timing difference of expenses claimed, tax treatment of certain items of income/expense, etc. in the tax computation.

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as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(g) Individually immaterial associates

The Group also has interest in associates and JVs which is considered as immaterial by Group and accounted for using the equity method

Individually Immaterial Associates	As at March 31, 2023	As at March 31, 2022
Aggregate carrying amount of individually immaterial associates and JVs	*	*
Aggregate amounts of the Group's share of:		
Profit for the year	-	49
Other comprehensive income	-	-
Total comprehensive income	-	49

* Amount below rounding off norms adopted by the Company.

(h) Interest in jointly controlled operations

Details of Group's interest in jointly controlled operations is as follows:

Name of entity	Ownership/Economic interests	
	As at March 31, 2023	As at March 31, 2022
Joint controlled operations		
Rustomjee Evershine Joint Venture	50%	50%
Fortune Partners	75%	75%
Evershine Premium Buildtech Joint Venture	50%	50%
Lok fortune JV (through fortune partners)	45%	45%

The country of incorporation of above entities is in India.

Significant judgment: classification of joint arrangements

The Group has entered into partnership firms/association of person whose legal form confers separation between the parties to the joint arrangement and the Group itself. Also, as per the contractual arrangements, the parties to the joint arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Accordingly such joint arrangements have been identified as joint controlled operations.

Financial impact of joint controlled operations

The Group accounts for assets, liabilities, revenue and expenses relating to its interest in joint controlled operations based on the internal agreements/ arrangements entered into between the parties to the joint arrangements for execution of projects. Accordingly the Group has recognised revenue from operations 873 (for the year ended March 31, 2022: 823), total expenditure (including tax) 883 (for the year ended March 31, 2022: 816), total assets as at March 31, 2023: 14,212 (as at March 31, 2022: 11,321), total liabilities as at March 31, 2023: 5,768 (as at March 31, 2022: 5,486) and profit for the year: 75 (for the year ended March 31, 2022: 361).

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 60 - Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary/associates/joint ventures

(i) Information regarding subsidiaries/associates/joint ventures included in the consolidated financial statements for the years ended March 31, 2023, and March 31, 2022

Name of the entity	As at March 31, 2023							
	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Keystone Realtors Limited	91%	1,51,515	133%	10,923	189%	(23)	133%	10,900
Subsidiary Indian								
Rustomjee Realty Private Limited	12%	19,764	12%	978	11%	(1)	12%	977
Amaze Builders Private Limited	0%	128	0%	14	0%	-	0%	14
Firestone Developers Private Limited	0%	(171)	0%	(1)	0%	-	0%	(1)
Imperial Infradevelopers Private Limited	0%	(164)	-1%	(121)	0%	-	-1%	(121)
Xcellent Realty Private Limited	0%	(195)	0%	(27)	0%	-	0%	(27)
Intact Builders Private Limited	0%	34	0%	6	0%	-	0%	6
Kingmakers Developers Private Limited	0%	(33)	0%	4	0%	-	0%	4
Keystone Infrastructure Private Limited	1%	976	-12%	(984)	-53%	6	-12%	(978)
Navabhudaya Nagar Development Private Limited	0%	(404)	-2%	(136)	0%	-	-2%	(136)
Nouveau Developers Private Limited	0%	38	0%	(13)	0%	-	0%	(13)
Premium Build Tech LLP	0%	243	0%	(10)	0%	-	0%	(10)
Credence Property Developers Private Limited	-1%	(1,264)	-3%	(240)	0%	-	-3%	(240)
Dynasty Infrabuilders Private Limited	0%	(321)	-3%	(239)	0%	-	-3%	(239)
Enticier Realtors Private Limited	0%	(21)	0%	(1)	0%	-	0%	(1)
Flagranti Realtors Private Limited	0%	(1)	0%	(1)	0%	-	0%	(1)
Keysky Realtors Private Limited	0%	(14)	0%	(14)	0%	-	0%	(14)
Kapstar Realty LLP	0%	(0)	0%	(0)	0%	-	0%	(0)
Keybloom Realty Private Limited (formerly known as Bloom Farmtech Private Limited)	0%	0	0%	2	0%	-	0%	2
Luceat Realtors Private Limited	-1%	(936)	-5%	(437)	0%	-	-5%	(437)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 60 - Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary/associates/joint ventures

(i) Information regarding subsidiaries/associates/joint ventures included in the consolidated financial statements for the years ended March 31, 2023, and March 31, 2022 (Contd.)

Name of the entity	As at March 31, 2023							
	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Ferrum Realtors Private Limited	0%	(47)	-1%	(47)	0%	-	-1%	(47)
Keyspace Realtors Private Limited	0%	(0)	0%	(0)	0%	-	0%	(0)
Key Galaxy Realtors Private Limited	0%	(0)	0%	(0)	0%	-	0%	(0)
Keyblue Realtors Private Limited	0%	(0)	0%	(1)	0%	-	0%	(1)
Keyheights Realtors Private Limited	0%	(2)	0%	(2)	0%	-	0%	(2)
Key Interiors Realtors Private Limited	0%	(77)	-1%	(77)	0%	-	-	(77)
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (w.e.f March 31, 2022)	0%	356	0%	37	0%	-	0%	37
Rebus Realtors LLP	0%	(3)	0%	(1)	0%	-	(0.00)	(1)
Riverstone Developers Private Limited*	0%	(370)	-4%	(353)	0%	-	(0.04)	(353)
Keyvihar Realtors Private Limited	0%	-	0%	(0)	0%	-	(0.00)	(0)
Keysteps Realtors Private Limited	0%	(0)	0%	(0)	0%	-	(0.00)	(0)
Key Green Realtors Private Limited	0%	(1)	0%	(1)	0%	-	(0.00)	(1)
Keyorbit Realtors Private Limited	0%	(0)	0%	(0)	0%	-	(0.00)	(0)
Mirabile Realtors Private Limited	0%	(12)	0%	-	0%	-	-	-
Non-controlling interest in all subsidiaries								
Rustomjee Realty Private Limited	-1%	(1,977)	-1%	(98)	-1%	-	-1%	(98)
Firestone Developers Private Limited	0%	46	0%	0	0%	-	0%	0
Premium Build Tech LLP	0%	(61)	0%	3	0%	-	0%	3
Nouveau Developers Private Limited	0%	(10)	0%	4	0%	-	0%	4
Keystone Infrastructure Private Limited	0%	-	2%	124	0%	-	2%	124

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 60 - Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiary/associates/joint ventures

(i) Information regarding subsidiaries/associates/joint ventures included in the consolidated financial statements for the years ended March 31, 2023, and March 31, 2022 (Contd.)

Name of the entity	As at March 31, 2023							
	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (w.e.f March 31, 2022)	0%	(174)	0%	(18)	0%	-	0%	(18)
Riverstone Developers Private Limited*	0%	52	0%	46	0%	-	0%	46
Luceat Realtors Private Limited	0%	391	2%	184	0%	-	2%	184
Rebus Realtors LLP	0%	-	0%	-	0%	-	0%	0
Kapstar Realty LLP	0%	-	0%	-	0%	-	0%	(0)
Adjustment due to consolidation	0%	(344)	-22%	(1,832)	0%	-	-22%	(1,832)
Associates and Joint Ventures Indian								
Kapstone Constructions Private Limited #	0%	-	6%	524	-47%	6	6%	530
Megacorp Construction LLP	0%	-	-	-	-	-	-	-
Jyotirling Constructions Private Limited	0%	-	-	-	-	-	-	-
Krishika Developers Private Limited (wef January 04, 2022)	0%	-	-	-	-	-	-	-
Total	100%	1,66,941	100%	8,195	100%	(12)	100%	8,183

* Amount below rounding off norms adopted by the Company.

including Toccata Realtors Private Limited (subsidiary of Kapstone Constructions Private Limited).

* including Mt K Kapital Private Limited (subsidiary of Riverstone Educational Academy Private Limited).

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Information regarding subsidiaries/associates/joint ventures included in the consolidated financial statements for the years ended March 31, 2023, and March 31, 2022 (Contd.)

Name of the entity	As at March 31, 2022							
	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Keystone Realtors Limited	76%	70,822	86%	12,006	54%	15	86%	12,021
Subsidiary Indian								
Rustomjee Realty Private Limited	20%	18,790	30%	4,138	-1%	*	30%	4,138
Amaze Builders Private Limited	0%	114	0%	20	0%	-	0%	20
Firestone Developers Private Limited	0%	(170)	0%	45	0%	-	0%	45
Imperial Infradevelopers Private Limited	0%	(43)	0%	(34)	0%	-	0%	(34)
Xcellent Realty Private Limited	0%	(167)	0%	(44)	0%	-	0%	(44)
Intact Builders Private Limited	0%	27	0%	(33)	0%	-	0%	(33)
Kingmakers Developers Private Limited	0%	(37)	0%	(1)	0%	-	0%	(1)
Keystone Infrastructure Private Limited	2%	1,577	-7%	(916)	14%	4	-7%	(912)
Navabhudaya Nagar Development Private Limited	0%	(268)	0%	(8)	0%	-	0%	(8)
Nouveau Developers Private Limited	0%	51	0%	(1)	0%	-	0%	(1)
Premium Build Tech LLP	0%	254	1%	77	0%	-	1%	77
Credence Property Developers Private Limited	-3%	(2,643)	3%	387	0%	-	3%	387
Dynasty Infrabuilders Private Limited	0%	(83)	0%	(32)	0%	-	0%	(32)
Enticier Realtors Private Limited	0%	243	0%	(20)	0%	-	0%	(20)
Flagranti Realtors Private Limited	0%	*	0%	*	0%	-	0%	*
Keysky Realtors Private Limited	0%	*	0%	*	0%	-	0%	*
Kapstar Realty LLP	0%	*	0%	*	0%	-	0%	*
Keybloom Realty Private Limited (formerly known as Bloom Farmtech Private Limited)	0%	(1)	0%	*	0%	-	0%	*
Krishika Developers Private Limited (upto January 04, 2022)	0%	-	0%	-	0%	-	0%	-
Luceat Realtors Private Limited	-1%	(500)	-4%	(496)	0%	-	-4%	(496)
Ferrum Realtors Private Limited	0%	*	0%	*	0%	-	0%	*

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Information regarding subsidiaries/associates/joint ventures included in the consolidated financial statements for the years ended March 31, 2023, and March 31, 2022 (Contd.)

Name of the entity	As at March 31, 2022							
	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Keyspace Realtors Private Limited	0%	*	0%	-	-	-	0%	-
Key Galaxy Realtors Private Limited	0%	*	-	-	-	-	-	-
Keyblue Realtors Private Limited	0%	*	-	-	-	-	-	-
Keyheights Realtors Private Limited	0%	*	-	-	-	-	-	-
Key Interiors Realtors Private Limited	0%	*	-	-	-	-	-	-
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (w.e.f March 31, 2022)	0%	318	-	-	-	-	-	-
Rebus Realtors LLP	0%	(2)	0%	(2)	0%	-	0%	(2)
Non-controlling interest in all subsidiaries								
Rustomjee Realty Private Limited	-2%	(1,879)	-3%	(414)	0%	*	-3%	(414)
Firestone Developers Private Limited	0%	46	0%	(12)	0%	-	0%	(12)
Premium Build Tech LLP	0%	(63)	0%	(19)	0%	-	0%	(19)
Nouveau Developers Private Limited	0%	(14)	0%	*	0%	-	0%	*
Keystone Infrastructure Private Limited	-1%	(1,067)	4%	616	-11%	(3)	4%	613
Krishika Developers Private Limited (upto January 04, 2022)	0%	-	0%	-	0%	-	0%	-
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (w.e.f March 31, 2022)	0%	(156)	0%	-	0%	-	0%	-
Luceat Realtors Private Limited	0%	211	1%	208	0%	-	1%	208
Rebus Realtors LLP	0%	*	0%	*	0%	-	0%	*
Enticier Realtors Private Limited (Refer note 58)	0%	(128)	0%	-	0%	-	0%	-
Kapstar Realty LLP	0%	*	0%	*	0%	-	0%	*
Adjustment due to consolidation	9%	8,032	-9%	(1,288)	0%	-	-9%	(1,288)

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

(i) Information regarding subsidiaries/associates/joint ventures included in the consolidated financial statements for the years ended March 31, 2023, and March 31, 2022 (Contd.)

Name of the entity	As at March 31, 2022							
	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Associates and Joint Ventures Indian								
Kapstone Constructions Private Limited [#]	0%	-	-2%	(264)	42%	12	-2%	(252)
Megacorp Construction LLP	-	-	-	-	-	-	-	-
Jyotirling Constructions Private Limited	-	-	-	-	-	-	-	-
Krishika Developers Private Limited (wef January 04, 2022)	-	-	-	-	-	-	-	-
Crest Property Solutions Private Limited (Formerly known as Crest Property Solutions LLP) (till March 31, 2022)	-	-	0%	49	-	-	0%	49
Total	100%	93,264	100%	13,962	100%	28	100%	13,990

* Amount below rounding off norms adopted by the Company.

[#] including Toccata Realtors Private Limited (subsidiary of Kapstone Constructions Private Limited)

Note 61 - Completion of Initial Public Offer (IPO)

During the year ended March 31, 2023, the Company has completed its IPO of 11,737,521 equity shares of face value of ₹ 10 each at an issue price of ₹ 541 per share aggregating to ₹ 63,500, comprising of fresh issue of 10,351,201 shares aggregating to ₹ 56,000 and offer for sale of 1,386,320 shares by selling shareholders aggregating to ₹ 7,500. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on November 24, 2022.

In respect of the aforesaid IPO, the Company has incurred ₹ 4,030 as share issue expenses, which has been allocated between the Company and selling shareholders, in proportion to the proceeds of the IPO received by the Company and respective selling shareholders. The Company's share of expenses amounting to ₹ 3,554 has been adjusted to securities premium and that of selling shareholders amounting to ₹ 476 were netted off from their proceeds of IPO.

Note 62 - Private Placement

The Company has entered into Securities Subscription and Shareholders' Agreement (SSHA) dated May 09, 2022 with HDFC Capital Affordable Real Estate Fund – 3, One-UP Financial Consultants Private Limited, Jagdish Naresh Master, Mahima Stocks Private Limited, IIFL Special Opportunities Fund - Series 9 and IIFL Special Opportunities Fund - Series 10 to subscribe to equity shares of the Company aggregating to ₹ 17,000 comprising of 3,404,412 equity shares of face value of ₹ 10 each and securities premium of ₹ 489.35 each through a private placement.

In respect of aforesaid issue the Company has incurred ₹ 284 as share issue expenses which has been adjusted to securities premium.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

Note 63 - Utilisation of Initial Public Offer (IPO) Proceeds

The Company has received an amount of ₹ 52,446 (net off IPO expenses of ₹ 3,554) from proceeds out of fresh issue of equity shares. The utilisation of net IPO proceeds is summarised as below:

Particulars	Amount Received	Utilised upto March 31, 2023	Unutilised as on March 31, 2023
Repayment/prepayment, in full or part, of certain borrowings availed by the Company alongwith its subsidiaries*	34,160	34,160	-
Funding acquisition of future real estate projects and general corporate purposes	18,286	2,455	15,831
Total	52,446	36,615	15,831

*Unutilised IPO proceeds of ₹ 14,500 Lakhs is invested in term deposits with a bank and ₹ 1,331 Lakhs is kept in current bank accounts, pending utilisation for the intended purpose.

Note 64 - Gain on modification in terms of borrowings

During the year ended March 31, 2023 and March 31, 2022, one of the subsidiary Company has received an interest waiver from Keystone Realtors Limited. This resulted in modification of debt and the subsidiary recorded the corresponding gain on the modification of debt in other equity amounting to ₹ 377 (year ended March 31, 2022: 1,257) and out of which, the amount of ₹ 131 (March 31, 2022: 845) attributed to non-controlling interest.

Note 65 - Additional Regulatory Information

i) Details of Benami property Held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) Borrowings secured against current assets

The Group has borrowings from banks and financial institutions on the basis of security of current assets, also refer note 52. However, there are no requirements of filing quarterly returns or statements with banks as per the terms of relevant agreements/sanction letters.

iii) Wilful Defaulter

The Group has never been declared as wilful defaulter by any bank or financial institution or government or any government authority.

iv) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

vi) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year (refer note 57).

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

vii) Utilisation of borrowed funds and share premium

Except as detailed below, the Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Name of intermediary	Amount of loan given	Date of loan given to intermediary	Name of ultimate beneficiary	Amount further loaned by intermediary to the ultimate beneficiary
Year ended March 31, 2023				
Nil				
Year ended March 31, 2022				
Toccata Realtors Private Limited (refer note 42)	12,693	Various dates during the financial year 2021-22	Keystone Realtors Limited (refer note 42)	12,693

In respect of the aforesaid loan, the Group has complied with the relevant provisions of the Companies Act, 2013. Further, the said transaction is not violative of the Prevention of Money-laundering Act, 2002.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

x) Valuation of PP&E, intangible asset and investment property

The Group has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

xi) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

Notes to the Consolidated Financial Statements

as at and for the year ended March 31, 2023

(All amounts in ₹ Lakhs, unless otherwise stated)

NOTE 66 - Previous year figures have been regrouped/reclassified, wherever necessary to conform to current year classification.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration No. 012754N/N500016

For and on behalf of the Board of Directors of
Keystone Realtors Limited
CIN: U45200MH1995PLC094208

Priyanshu Gundana
Partner
Membership No.: 109553

Boman Irani
Managing Director
DIN: 00057453

Chandresh Mehta
Director
DIN: 00057575

Mumbai
Date: May 22, 2023

Sajal Gupta
Chief Financial Officer

Bimal Nanda
Company Secretary
Membership No.: 11578

Mumbai
Date: May 22, 2023

Notice

of the Annual General Meeting of the Company

NOTICE is hereby given that the 28th Annual General Meeting of the Members of Keystone Realtors Limited ("the Company") will be held on Friday, September 22, 2023 at 04:00 PM (IST) through Video Conference/Other Audio-Visual Means facility to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- a. The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Report of the Auditors thereon.

2. To appoint a Director in place of Mr. Chandresh Mehta (DIN: 00057575) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors for the Financial Year 2023 – 24

To consider and, if thought fit, to pass the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), M/s. Joshi Apte & Associates, Cost Accountants, appointed by the Board of Directors to conduct the audit of cost records of the Company for the financial year ending on March 31, 2024 at a remuneration of ₹ 1.05 Lakhs (Rupees One Lakhs Five Thousand only) exclusive of applicable taxes and out of pocket expenses, be and is hereby approved and ratified by the Members of the Company."

4. Ratification of the 'Rustomjee Employee Stock Option Plan 2022' ("ESOP 2022"/"Plan").

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 ("SEBI LODR Regulations"), the relevant provisions of the Memorandum and Articles of Association of the Company and further subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, approval of the Members of the Company be and is hereby accorded for **ratification of the 'Rustomjee Employee Stock Option Plan 2022' ("ESOP 2022"/"Plan") as aligned with the provisions of the SEBI (SBEB) Regulations**, which was originally approved by the Members of the Company vide Special Resolution dated May 11, 2022 prior to initial public offer ("IPO") of equity shares ("Shares") of face value of ₹ 10/- (Rupees Ten) each fully paid-up of the Company, which confers authority to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination & Remuneration Committee, which the Board has constituted to exercise its powers, including the powers conferred by this resolution and SEBI (SBEB) Regulations) to create, and grant from time to time, in one or more tranches, not exceeding **20,00,000 (twenty Lakhs only) employee stock options ("Options")** to or for the benefit of such person(s) who are employees(s) of the Company including any director, whether a whole-time or otherwise, within the meaning of the Plan, exercisable into not more than **20,00,000 (twenty Lakhs only) Shares** of face value of ₹ 10/- (Rupees Ten) each fully paid-up, where one employee stock option would convert in to one Share upon exercise, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of the Plan;

RESOLVED FURTHER THAT the Shares so allotted as mentioned hereinbefore shall rank pari passu with the then existing Shares of the Company;

RESOLVED FURTHER THAT in case of any corporate action (s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares that are issued by the Company for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of options/Shares shall be deemed to increase to the extent of such additional Shares issued;

RESOLVED FURTHER THAT in case the Shares of the Company are split-up or consolidated, then the number of Shares to be transferred and the exercise price payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be in the same proportion as the present face value of ₹ 10/- per Share bears to the revised face value of the Shares

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of the Company after such split-up or consolidation, without affecting any other rights or obligations of the said grantees;

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan;

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, or amend the Plan without the prior approval of Members unless otherwise stated in the SEBI (SBEB) Regulations or suspend or terminate the Plan, unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted stock options under the Plan and subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things it may deem fit, at its absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI (SBEB) Regulations, the Memorandum of Association and Articles of Association of the Company and any other applicable laws in force."

5. Ratification of grant of employee stock options to the employees of Subsidiary and Associate Company(ies) of the Company under 'Rustomjee Employee Stock Option Plan 2022' ("ESOP 2022"/"Plan").

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the provisions of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the relevant provisions of the Memorandum and Articles of Association of the Company and further subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the approval of the Members of the Company be and is hereby accorded to the Board to extend the benefits and coverage of '**Rustomjee Employee Stock Option Plan 2022**' ("**ESOP 2022**"/"**Plan**") as aligned with the provisions of the SEBI (SBEB) Regulations, to or for the benefit of such eligible employees(s) within the meaning of the Plan of any present/future Subsidiary and Associate Company(ies) of the Company, whether in or outside India, as may be decided under the Plan, where one employee

stock option would convert in to one equity share upon exercise, on such terms and in such manner as the Board/Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Plan;

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional Shares that are issued by the Company for the purpose of making a fair and reasonable adjustment to the options granted earlier, the above ceiling of options/Shares shall be deemed to increase to the extent of such additional Shares issued;

RESOLVED FURTHER THAT in case the Shares of the Company are split-up or consolidated, then the number of Shares to be transferred and the exercise price payable by the option grantees under the Plan shall automatically stand reduced or augmented, as the case may be in the same proportion as the present face value of ₹ 10/- per Share bears to the revised face value of the Shares of the Company after such split-up or consolidation, without affecting any other rights or obligations of the said grantees;

RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed from time to time under the SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan;

RESOLVED FURTHER THAT the Board be and is hereby authorized at any time to modify, change, vary, alter, or amend the Plan without the prior approval of Members unless otherwise stated in the SEBI (SBEB) Regulations, or suspend or terminate the Plan, unless such variation, amendment, modification or alteration is detrimental to the interest of the employees who have been granted stock options under the Plan and subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things it may deem fit, at its absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI SBEB Regulations, the Memorandum of Association and Articles of Association of the Company and any other applicable laws in force."

6. Approval of limits under Section 186 of the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, and subject to the terms of Articles

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of Association of the Company and subject to such other approvals, consents, sanctions and permissions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors ("hereinafter referred to as "the Board" which terms shall be deemed to include any committee of the Board) to (a) give any loan to any person(s) or other body corporate(s); (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate, from time to time in one or more tranches as the Board of Directors in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 5,000 Crores (Rupees Five Thousand Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013;

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, Directors and/or Company Secretary of the Company, be and are hereby severally authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

7. To approve the remuneration of Mr. Boman Irani, Chairman and Managing Director

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules framed thereunder, statutory modifications or re-enactment thereof, for the time being in force), Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and is hereby accorded for the payment of remuneration in the scale of ₹ 4.14 Crores – ₹ 7.50 Crores per annum excluding the perquisites and other benefits separately mentioned in the Explanatory Statement to this resolution, to Mr. Boman Irani (DIN: 00057453), Chairman and Managing Director, for a period of three years commencing from April 01, 2023 to March 31, 2026;

RESOLVED FURTHER THAT save and except as stated above, the special resolution approved and passed by the Members at its Extra Ordinary General Meeting held on May 11, 2022, with respect to the appointment of Mr. Boman Irani as Chairman and Managing Director shall continue to remain in force and in effect;

RESOLVED FURTHER THAT the terms and conditions of the remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part of this resolution;

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To approve the remuneration of Mr. Chandresh Mehta, Executive Director

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules framed thereunder, statutory modifications or re-enactment thereof, for the time being in force), Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and is hereby accorded for the payment of remuneration in the scale of ₹ 4.14 Crores – ₹ 7.50 Crores per annum excluding the perquisites and other benefits separately mentioned in the Explanatory Statement to this resolution, to Mr. Chandresh Mehta (DIN: 00057575), Executive Director, for a period of three years commencing from April 01, 2023 to March 31, 2026;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196 of the Act and the Rules framed thereunder, statutory modifications or re-enactment thereof, for the time being in force) and as approved by Members at their Extra Ordinary General Meeting held on May 11, 2022, the term/period of appointment be read as **"for the period of five consecutive years i.e. from May 11, 2022 to May 10, 2027"**;

RESOLVED FURTHER THAT save and except as stated above resolutions, the special resolution approved and passed by the Members at its Extra Ordinary General Meeting held on May 11, 2022, with respect to the appointment of Mr. Chandresh Mehta, Executive Director, shall continue to remain in force and in effect;

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RESOLVED FURTHER THAT the terms and conditions of the remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part of this resolution;

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To approve the remuneration of Mr. Percy Chowdhry, Executive Director

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules framed thereunder, statutory modifications or re-enactment thereof, for the time being in force), Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and is hereby accorded for the payment of remuneration in the scale of ₹ 2.07 Crores – ₹ 4.50 Crores per annum excluding the perquisites and other benefits separately mentioned in the Explanatory Statement to this resolution, to Mr. Percy Chowdhry (DIN: 00057529), Executive Director, for a period of three years commencing from April 01, 2023 to March 31, 2026;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 196 of the Act and the Rules framed thereunder, statutory modifications or re-enactment thereof, for the time being in force) and as approved by Members at their Extra Ordinary General Meeting held on May 11, 2022, the term/period of appointment be read as **"for the period of five consecutive years i.e. from May 11, 2022 to May 10, 2027"**;

RESOLVED FURTHER THAT save and except as stated above resolutions, the special resolution approved and passed by the Members at its Extra Ordinary General Meeting held on May 11, 2022, with respect to the appointment of Mr. Percy Chowdhry, Executive Director, shall continue to remain in force and in effect;

RESOLVED FURTHER THAT the terms and conditions of the remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part of this resolution;

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby

severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To approve commission payable to Non-Executive Directors

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Rules framed thereunder, statutory modifications or re-enactment thereof, for the time being in force), Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and is hereby accorded that all the Non-Executive Directors of the Company:

- (a) in aggregate, be paid the commission upto 1% of the net profit, OR
- (b) ₹ 15,00,000/- per annum per Non-Executive Director,

whichever is less, exclusive of sitting fees payable to each of the Non-Executive Director for attending the Board Meetings/Committee Meetings, for a period of three (3) years and such payment shall be made in respect of the profits of the Company for each of the financial years commencing from April 01, 2023 to March 31, 2026;

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To authorize borrowings by way of Issuance of Non-Convertible Debentures/Bonds/Other instruments

To consider and if thought fit to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), SEBI (Issue and Listing of Non-Convertible Securities) Regulation 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the guidelines issued by SEBI, Foreign Exchange Management Act, 1999 (including any statutory modification(s) or re-enactment(s) thereof, for

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the time being in force) and subject to the provisions of Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to borrow from time-to-time by making an offer(s) or invitation(s) to subscribe issuance of Redeemable Non-Convertible Debentures (NCD)/Bonds/Other instruments, whether secured or unsecured, listed and/or unlisted, on private placement

basis, in one or more tranches during a period of one year from the date of passing of this resolution for an amount not exceeding ₹ 1000 Crores (Rupees One Thousand Crores only) and that the said borrowing shall be within the overall borrowing limits of the Company and on such terms and conditions as may be decided by the Board of Directors of the Company, from time to time;

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For **Keystone Realtors Limited**

Place: Mumbai
Date: August 07, 2023

Registered Office Address:
702, Natraj, MV Road Junction,
Western Express Highway,
Andheri (East), Mumbai 400069
CIN: L45200MH1995PLC094208
Website: www.rustomjee.com
E-mail: cs@rustomjee.com
Ph: +91 22 66766888

Bimal K Nanda
Company Secretary and Compliance Officer
Mem. No. A11578

Notes

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("Act") setting out material facts concerning the business under item nos. 3 to 11 of the Notice is annexed hereto.
2. The Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars") has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue.
3. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the 28th Annual General Meeting ("Meeting" or "AGM") of the Company is being held through VC/OAVM on Friday, September 22, 2023 at 04:00 PM (IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company situated at 702 - Natraj, M. V. Road Junction, Western Express Highway, Andheri East, Mumbai - 400 069.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before commencement of the Meeting and at any time during the AGM by following the procedure mentioned in the Notice. The facility of participation through VC/OAVM/Instameet services provided by Link Intime India Pvt. Ltd ("Link Intime").
5. Since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The proxy form as well as the attendance slips are therefore not annexed to this Notice.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Since the AGM will be held through VC/OAVM, the route map of the venue of the Meeting is not annexed hereto.
8. In line with MCA Circulars and circulars issued by SEBI, the Notice calling the AGM along with the Annual Report for FY23 ("Annual Report") is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. A Member can request for a physical copy of the Annual Report by sending an e-mail to the Company at cs@rustomjee.com. The Notice calling the AGM has been uploaded on the website of the Company at www.rustomjee.com/about-us/investor-relations/. The Notice may also be accessed from the websites of the Stock Exchanges i.e. BSE Limited ("BSE") at www.bseindia.com and National Stock Exchange of India Limited ("NSE") at www.nseindia.com and also on the website of Link Intime (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in>.
9. Procedure for attending AGM through VC/OAVM
 1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

Select the "Company" and 'Event Date' and register with your following details: -
 - A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/members holding shares in physical form shall provide Folio Number registered with the Company
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.

Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

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Instructions for Shareholders/Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the Company by sending an email at cs@rustomjee.com
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company/Link Intime.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.

Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/members have any queries regarding login/e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175

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10. Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
 3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
 4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see

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e-Voting feature. Click on the Company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the Company, holding shares in physical form/Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio

number in 'D' above

*Shareholders holding shares in **NSDL form**, shall provide 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&'*), at least one numeral, at least one alphabet and at least one capital letter).
 - Click "confirm" (Your password is now generated).
3. Click on 'Login' under 'SHARE HOLDER' tab.
 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour/Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian/Mutual Fund/Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution/ authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/Corporate Body' login for the Scrutinizer to verify the same.

Notes

Helpdesk for Individual Shareholders holding securities in physical mode/Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

11. All documents referred to in the Notice and the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Secretarial Auditors of the Company certifying that the ESOP Scheme of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@rustomjee.com. Alternatively, all the documents are available for inspection at the Registered Office of the Company on any working day, between 11:00 a.m. (IST) to 01:00 p.m. (IST). The Members can inspect the same with prior intimation to the Company.

12. In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, the Company may give notice through electronic mode addressing to the person entitled to receive such e-mail as per the records of the Company or as provided by the depository, provided that the Company shall provide an advance opportunity at least once in a financial year, to the member to register his e-mail address and changes therein and such request may be made by

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only those Members who have not got their email ID recorded or to update a fresh email ID and not from the Members whose e-mail IDs are already registered. In view of the above, the Company hereby requests the Members who have not updated their email IDs to update the same. Further, the Members holding shares in electronic mode are requested to keep their email addresses updated with the Depository Participants. Members holding shares in the physical mode are also requested to update their email addresses by writing and quoting their folio numbers to the Link Intime India Private Limited, Registrar and Transfer Agent of the Company ("R&T Agent") by email to rnt.helpdesk@linkintime.co.in or by letter addressed to **Link Intime India Private Limited, Unit. Keystone Realtors Limited, C 101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai 400083** Maharashtra or to the Company by email to cs@rustomjee.com or by letter addressed to the Company Secretary, 702 Natraj, M. V. Road Junction, Western Express Highway, Andheri East, Mumbai – 400 069.

13. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS) and Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's R&T Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes either to the Company or to the R&T Agent.
14. The SEBI has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to R&T Agent.
15. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM. For this purpose, the Company has engaged the services of Link Intime for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting at the AGM will be provided by Link Intime.
16. The voting rights of the Members shall be in proportion to the number of equity shares held by them as on the cut-off date i.e. Friday, September 15, 2023.
17. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Friday, September 15, 2023 only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
18. The remote e-voting period will commence on Tuesday, September 19, 2023 at IST 09:00 AM and will end on Thursday, September 21, 2023 at IST 5:00 PM. During this remote e-voting period the Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 15, 2023, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by Link Intime for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or vote again.
19. The Company has appointed Mr. Dinesh Kumar Deora, (CoP No. 4119), Practicing Company Secretary or failing him Mr. Tribhuvneshwar Kaushik, (CoP No. 16207), partners of DM & Associates Company Secretaries LLP as the scrutinizer (the 'Scrutinizer') for scrutizing the remote e-voting process as well as e-voting at the AGM in a fair and transparent manner.
20. During the AGM, the Chairman and/or Company Secretary shall, after responding to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be

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closed with the formal announcement of closure of the AGM.

21. The Scrutiniser shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and submit such Report to the Chairman or Company Secretary or any person authorised by the Chairman, who shall then countersign and declare the result of the voting forthwith.
22. The results declared along with the report of the Scrutinizer will be placed on the website of the Company www.rustomjee.com/about-us/investor-relations/ and on the website of Link Intime immediately after the declaration of result by the Chairman or Company Secretary or a person authorized by him.

Based on the scrutinizer's report, the Company will submit within two working days of the conclusion of the AGM to the stock exchange, the details of the voting results as required under regulation 44(3) of the Listing Regulations.

23. In terms of Section 152 of the Act, Mr. Chandresh Mehta (DIN – 00057575), retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company has recommended his re-appointment.
24. The additional information in respect of re-appointment of Mr. Chandresh Mehta (DIN – 00057575) as Director, liable to retire by rotation, pursuant to the provisions of Listing Regulations and the Secretarial Standard on General Meetings, are provided as Schedule 1B of Annexure 1 to the Explanatory Statement.
25. Mr. Chandresh Mehta (DIN – 00057575) is interested in the Ordinary Business as set out at Item No. 2 of the Notice with respect to his re- appointment. The relatives of Mr. Chandresh Mehta may also be deemed to be interested in the said Resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors/Key Managerial Personnel of the Company/their Relatives are, in any way, concerned or interested, financially or otherwise, for Item No. 2.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company, based on the recommendation of the Audit Committee, had appointed M/s. Joshi Apte & Associates as a Cost Auditors of the Company to conduct audit of cost records of the Company for the Financial Year 2023-24.

The Board recommends to the Members to ratify the remuneration of ₹ 1,05,000 (Rupees One Lakhs Five Thousand only) exclusive of applicable taxes and out of pocket expenses, payable to M/s. Joshi Apte & Associates, Cost Accountants.

The Board recommends the passing of the resolution as set out at Item No. 3 as an Ordinary Resolution by the Members.

None of the Directors, Key Managerial Personnel of the Company are in any way concerned or interested financially or otherwise, in passing of the resolution set out at Item No. 3 of the Notice.

Item No. 4 & 5

The Company had implemented an employee stock option plan namely '**Rustomjee Employee Stock Option Plan 2022**' ("**ESOP 2022**" / "**Plan**") which was duly approved by the Members vide their special resolution dated May 11, 2022. The same was approved prior to Company's initial public offer ("IPO") of equity shares of face value of ₹ 10/- each fully paid up ("Shares"), with the objectives to reward the employees of the Company, group Company(ies) including subsidiary Company(ies) and/or associate Company(ies) for their association and performance as well as to motivate the work force seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth. The said Plan is being administered by the Company directly (under the directions of Nomination and Remuneration Committee).

In the meantime, the Company completed its IPO with listing of its Shares on November 24, 2022 on the BSE Limited and National Stock Exchange Limited. The Company has granted 11,55,700 Options under the pre-IPO Plan so far. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB) Regulations"), any fresh grant of Options post listing can be made under the Plan only in compliance with the SEBI (SBEB) Regulations and post ratification of plan by the Members of the Company.

Accordingly, the Plan is placed before the Members for ratification in terms of the aforesaid SEBI (SBEB) Regulations after which the Company would be able to grant Options and issue Shares under the Plan. The aforesaid proposals are not detrimental to the interests of any existing option grantees/employees.

The said proposal of ratification of the Plan was already approved by the Nomination and Remuneration Committee ("Committee") and the Board of Directors ("Board") of the Company at their respective meetings held on August 07, 2023.

Features of the Plan remain the same as originally approved and are reproduced again in terms of SEBI (SBEB) Regulations as under:

a) Brief description of the Plan:

The Plan provides for grant of employee stock options ("Options") to the permanent employees including directors (collectively referred to as "employees") of the Company, and that of its group Company including subsidiary Company and/or associate Company, as may be permissible under the Companies Act and the SEBI (SBEB) & Listing Regulations.

Upon vesting of Options, the eligible employees earn a right (but not obligation) to exercise the vested Options within the exercise period and obtain equity shares of the Company which shall be allotted by the Company subject to receipt of exercise price and satisfaction of any tax obligation arising thereon.

The Nomination and Remuneration Committee ("Committee") of the Company shall administer the Plan with terms of reference of such powers as delegated by the Board or as are available under the applicable laws. All questions of interpretation of the Plan shall be determined by the Committee as per terms of the Plan and applicable laws.

b) Total number of Options to be granted:

A total of **20,00,000 (Twenty Lakhs Only)** Options would be available for being granted to the eligible employees of the Companies under the Plan. Each Option when exercised would be converted into one equity share of face value of ₹ 10/- (Ten) each fully paid-up.

Options lapsed or cancelled due to any reason including the reason of lapse of exercise period or due to resignation of the employees or otherwise, would be available for being re-granted. The Committee is authorized to re-grant such lapsed/cancelled Options as per the Plan.

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In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the Options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of Options/equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares issued.

c) Identification of classes of employees entitled to participate in the Plan:

Employee means-

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) a Director of the Company, whether a whole-time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (iii) an employee as defined in sub clause (i) or (ii), of a group Company including subsidiary Company or its associate Company, in India or outside India, but does not include-
 - a. an employee who is a Promoter or a person belonging to the Promoter Group; or
 - b. a Director who, either himself or through his relative or through any body-corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company.

d) Appraisal process for determining the eligibility of the employees to employee stock options:

The Options shall be granted to the employees as per eligibility criteria determined by the Committee as it deems fit, from time to time, which may include attributes like past performance, achievement of key performance indicators, future potential, etc.

e) Requirements of vesting and period of vesting:

The Options granted shall vest so long as the employee continues to be in the employment or service on the date of vesting and must neither be serving his notice of resignation nor termination of employment/service on such date of vesting. The Committee may, at its discretion, lay down certain performance metrics on the achievement of which the granted Options would vest, the detailed terms and conditions relating to such performance-based vesting, and the proportion in which Options granted would vest (subject to the minimum and maximum vesting period as specified below).

The vesting period of Options granted shall vest in not earlier than **1 (one)** year and not more than **4 (four)** years from the date of grant of such Options. The exact proportion in which and the exact period over which the Options would vest would be determined by the Committee at the time of grant, subject to the minimum vesting period of one year from the date of grant of Options.

f) The maximum period within which the Options shall be vested:

The Options granted shall vest in not more than **4 (four)** years from the date of grant of such Options.

g) The exercise price or pricing formula:

The exercise price per Option shall be determined by the Committee which in any case shall not be less than the face value of the share of the Company as on date of grant.

h) The exercise period and the process of exercise:

The vested Options can be exercised by the employees within a maximum exercise period of **4 (four) years** from the date of the vesting of such Options.

However, in case of death and permanent incapacity while in employment or service, the exercise period shall be up to a maximum of exercise period of **12 months** commencing from the date of death or permanent incapacity, as the case may be.

The Options will be exercised by the employees by a written application to the designated officer of the Company in such manner, and on execution of such documents, as may be prescribed in this regard from time to time.

The Option will lapse if not exercised within the specified exercise period.

i) Lock-in period:

The shares arising out of exercise of vested Options would not be subject to any lock-in period after such exercise except such restrictions as prescribed under the applicable laws specifically in connection with or after listing of Company's shares.

j) Maximum number of Options to be issued per employee and in aggregate:

Number of Options that may be granted to any individual employee under the Plan shall be lesser than 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant of Option.

k) Maximum quantum of benefits to be provided per Employee:

Apart from grant of Options as stated above, no monetary benefits are contemplated under the Plan.

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l) Whether the Plan is to be implemented and administered directly by the Company or through a trust:

The Plan shall be implemented and administered directly by the Company. However, the Company may seek shareholders' approval in case of change of route of implementation is thought expedient in future.

m) Whether the Plan involves new issue of shares by the Company or secondary acquisition by the trust or both:

The Plan contemplates new issue of shares by the Company.

n) The amount of loan to be provided for implementation of the Plan(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.:

This is currently not contemplated under the Plan

o) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Plan(s):

This is not relevant under the Plan as the Plan contemplates to use fresh shares to be issued by the Company.

p) Method of option valuation:

To calculate the employee compensation cost, the Company shall use the fair value method for valuation of the Options granted as prescribed under Ind-AS 102 or under any relevant accounting standard as notified by appropriate authorities from time to time.

q) The conditions under which Options vested in employees may lapse:

The vested Options shall lapse in case of termination of employment due to misconduct or due to breach of Company policies or the terms of employment. Further, irrespective of employment status, in case vested Options are not exercised within the prescribed exercise period, then such vested Options shall lapse.

r) The specified time period within which the employee shall exercise the vested Options in the event of a proposed termination of employment or resignation or retirement of employee:

In case of resignation/termination without misconduct, all vested Options can be exercised by the employee on the last working day or within 30 days from the date of such termination, or by the date of expiry of exercise period as specified in the grant letter, whichever is earlier. In case of retirement of an employee, all vested Options as on the date of retirement can be exercised by the Option grantee

within 6 (Six) months from the date of Retirement, which shall not exceed the maximum exercise period stated above.

s) Terms & conditions for buyback, if any, of specified securities/Options covered granted under the Plan:

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

t) Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed as per prevailing accounting guidelines and upon listing of securities of the Company, the Company shall comply with the accounting policies and disclosure requirements as prescribed under Regulation 15 of the SEBI SBEB & SE Regulations.

u) Declaration:

In case, the Company opts for expensing of share-based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on Earning Per Share (EPS) of the Company shall also be disclosed in the Directors' Report.

As the Plan provides for issue of shares to be offered to persons other than existing Shareholders of the Company, consent of the Shareholders is being sought pursuant to Section 62(1)(b) of the Companies Act, 2013, read with Regulations 12(1) of the SEBI (SBEB) Regulations.

The relevant details as required under the SEBI (SBEB) regulations is annexed at Annexure 'A' to the Board's Report.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested whether financially or otherwise, in this resolution, except to the extent of the options that may be granted to them under the Plan.

The Board recommends the resolutions at Item no. 4 & 5 to be passed as Special Resolution.

Item No. 6

This is to apprise the Shareholders of the Company that to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment

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in other bodies corporate or granting loans, giving guarantee, or providing security to other persons or other body corporate as and when required.

This is to apprise the Shareholders that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with prior approval of Shareholders by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of ₹ 5,000 Crores, as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the same.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, whether financially or otherwise, in the resolution at Item no. 6 of the accompanying notice. The Board recommends the resolution at Item no. 6 to be passed as Special Resolution.

The detailed breakup of the salary and other perquisites and benefits, as stated above are given hereunder:

Sr. No	Proposed/revised Breakup	Changes/modification from terms approved by the Members at their meeting held on May 11, 2022
1.	A salary in the scale of ₹ 4.14 Crore – ₹ 7.50 Crore per annum (excluding perquisites as stated below)	Increase the remuneration from ₹ 4.14 Crores to ₹ 5.15 Crores per annum effective April 01, 2023. Scale is defined to provide for annual increment as stated at point no. 7 below.
2.	Reimbursement of the actual travelling, lodging, boarding expenses incurred in the ordinary course of the business of the Company;	No change
3.	The actual entertainment expenses reasonably incurred in the ordinary course of the business of the Company;	No change
4.	The Company shall provide a car. Car maintenance, fuel on actual basis and driver will be provided as per the Company policy;	No change
5.	The Company shall provide accommodation and the rent will be paid by the Company upto the limit of ₹ 5 Lakhs per month along with the utility bills payable on actual (Electricity, water, maintenance and telephone expenses) and the escalation of 5% per annum on the rent;	No change
6.	Entitled to participate in the provident fund and gratuity fund or scheme for the employees which the Company may establish;	No change

Item No. 7

This is to inform the Members that the Nomination and Remuneration Committee (NRC), Board of Directors (Board) and Members of the Company at their respective meetings held on May 11, 2022 designated Mr. Boman Irani (DIN: 00057453) as Chairman and Managing Director and revised the terms of the appointment (revised the perquisite limits keeping salary amount unchanged at ₹ 4.14 Crores per annum) which are set out and were placed at such respective meetings.

The Members are further informed that considering the valuable contributions made by Mr. Boman Irani towards the growth of the Company, NRC and Board in their respective meetings held on August 07, 2023, approved the annual increment of ₹ 1.01 Crores by revising his current remuneration, effective from April 01, 2023, and entails modifications in the perquisite's limits (for a period of three years commencing from April 01, 2023, to March 31, 2026).

The Members are further informed that the aforesaid revision is in accordance with the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (Act).

This resolution is placed before the Members to cover the provisions of Schedule V of the Act.

Notes

Sr. No	Proposed/revised Breakup	Changes/modification from terms approved by the Members at their meeting held on May 11, 2022
7.	Entitled to such increments from time to time as the Board in consultation with Nomination and Remuneration committee determine;	No change
8.	Entitled to privilege annual leave on full salary for a period of 21 days which can be availed in one or more than one trench.	No change
9.	Entitled to domestic/foreign trips along with family. The expense of the trips will be borne and/or reimbursed by the Company upto the limit ₹ 36 Lakh per annum.	This stand omitted
10.	Reimbursement of medical expenses incurred (including mediclaim insurance policy of upto ₹ 100 Lakhs) on actual basis for self, family and parents.	No change
11.	Reimbursement of actual education expenses including travel fare, boarding and lodging expenses of children.	This stand omitted

The Board recommends the Special Resolution in relation to adoption of the above terms of remuneration to Mr. Boman Irani, Chairman and Managing Director of the Company for the approval of the Shareholders in compliance with the provision of section 196, 197, 198 and the Schedule V of the Companies Act, 2013.

Except Mr. Boman Irani and Mr. Percy Chowdhry being relative of Mr. Boman Irani, none of the Directors, Promoters, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in the above proposed resolution.

Item No. 8

This is to inform the Members that the Nomination and Remuneration Committee (NRC), Board of Directors (Board) and Members of the Company at their respective meetings held on May 11, 2022 designated Mr. Chandresh Mehta (DIN: 00057575) as Executive Director and revised the terms of the appointment (revised the perquisite limits keeping salary amount unchanged at ₹ 4.14 Crores per annum) which are set out and were placed at such respective meetings.

The Members are further informed that considering the valuable contributions made by Mr. Chandresh Mehta

towards the growth of the Company, NRC and Board in their respective meetings held on August 07, 2023, approved the annual increment of ₹ 1.01 Crores by revising his current remuneration, effective from April 01, 2023, and entails modifications in the perquisite's limits (for a period of three years commencing from April 01, 2023, to March 31, 2026).

This is to further apprise the Shareholders that the appointment of Mr. Chandresh Mehta be read as **"for the period of five consecutive years i.e. from May 11, 2022 to May 10, 2027"** in the original term of appointment as approved by the NRC, Board and Shareholders at their respective meeting held on May 11, 2022.

The Members are further informed that the aforesaid revision is in accordance with the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (Act).

This resolution is placed before the Members to cover the provisions of Schedule V of the Act.

The detailed breakup of the salary and other perquisites and benefits, as stated above are given hereunder:

Sr. No	Proposed/revised Breakup	Changes/modification from terms approved by the Members at their meeting held on May 11, 2022
1.	A salary in the scale of ₹ 4.14 Crore – ₹ 7.50 Crore per annum (excluding perquisites as stated below)	Increase the remuneration from ₹ 4.14 Crores to ₹ 5.15 Crores per annum effective April 01, 2023. Scale is defined to provide for annual increment as stated at point no. 7 below.

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Sr. No	Proposed/revised Breakup	Changes/modification from terms approved by the Members at their meeting held on May 11, 2022
2.	Reimbursement of the actual travelling, lodging, boarding expenses incurred in the ordinary course of the business of the Company;	No change
3.	The actual entertainment expenses reasonably incurred in the ordinary course of the business of the Company;	No change
4.	The Company shall provide a car. Car maintenance, fuel on actual basis and driver will be provided as per the Company policy;	No change
5.	The Company shall provide accommodation and the rent will be paid by the Company upto the limit of ₹ 5 Lakhs per month along with the utility bills payable on actual (Electricity, water, maintenance and telephone expenses) and the escalation of 5% per annum on the rent;	No change
6.	Entitled to participate in the provident fund and gratuity fund or scheme for the employees which the Company may establish;	No change
7.	Entitled to such increments from time to time as the Board in consultation with Nomination and Remuneration committee determine;	No change
8.	Entitled to privilege annual leave on full salary for a period of 21 days which can be availed in one or more than one trench.	No change
9.	Entitled to domestic/foreign trips along with family. The expense of the trips will be borne and/or reimbursed by the Company upto the limit ₹ 36 Lakh per annum.	This stand omitted
10.	Reimbursement of medical expenses incurred (including mediclaim insurance policy of upto ₹ 100 Lakhs) on actual basis for self, family and parents.	No change
11.	Reimbursement of actual education expenses including travel fare, boarding and lodging expenses of children.	This stand omitted

The Board recommends the Special Resolution in relation to adoption of the above terms of remuneration to Mr. Chandresh Mehta, Executive Director of the Company for the approval of the Shareholders in compliance with the provision of Section 196, 197, 198 and the Schedule V of the Companies Act, 2013.

Except Mr. Chandresh Mehta, none of the Directors, Promoters, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in the above proposed resolution.

Item No. 9

This is to inform the Members that the Nomination and Remuneration Committee (NRC), Board of Directors (Board) and Members of the Company at their respective meetings held on May 11, 2022 designated Mr. Percy Chowdhry (DIN: 00057529) as Executive Director and revised the terms of the appointment (revised the perquisite limits keeping salary amount unchanged at ₹ 2.07 Crores per annum) which are set out and were placed at such respective meetings.

The Members are further informed that considering the valuable contributions made by Mr. Percy Chowdhry

towards the growth of the Company, NRC and Board in their respective meetings held on August 07, 2023, approved the annual increment of ₹ 1.01 Crores by revising his current remuneration, effective from April 01, 2023, and entails modifications in the perquisite's limits (for a period of three years commencing from April 01, 2023, to March 31, 2026).

This is to further apprise the Shareholders that the appointment of Mr. Percy Chowdhry be read as **"for the period of five consecutive years i.e. from May 11, 2022 to May 10, 2027"** in the original term of appointment as approved by the NRC, Board and Shareholders at their respective meeting held on May 11, 2022.

The Members are further informed that the aforesaid revision is in accordance with the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (Act).

This resolution is placed before the Members to cover the provisions of Schedule V of the Act.

The detailed breakup of the salary and other perquisites and benefits, as stated above are given hereunder:

Notes

Sr. No	Proposed/revised Breakup	Changes/modification from terms approved by the Members at their meeting held on May 11, 2022
1.	A salary in the scale of ₹ 2.07 Crore – ₹ 4.50 Crore per annum (excluding perquisites as stated below)	Increase the remuneration from ₹ 2.07 Crores to ₹ 3.08 Crores per annum effective April 01, 2023. Scale is defined to provide for annual increment as stated at point no. 7 below.
2.	Reimbursement of the actual travelling, lodging, boarding expenses incurred in the ordinary course of the business of the Company;	No change
3.	The actual entertainment expenses reasonably incurred in the ordinary course of the business of the Company;	No change
4.	The Company shall provide a car. Car maintenance, fuel on actual basis and driver will be provided as per the Company policy;	No change
5.	The Company shall provide accommodation and the rent will be paid by the Company upto the limit of ₹ 2.50 Lakhs per month along with the utility bills payable on actual (Electricity, water, maintenance and telephone expenses) and the escalation of 5% per annum on the rent;	No change
6.	Entitled to participate in the provident fund and gratuity fund or scheme for the employees which the Company may establish;	No change
7.	Entitled to such increments from time to time as the Board in consultation with Nomination and Remuneration committee determine;	No change
8.	Entitled to privilege annual leave on full salary for a period of 21 days which can be availed in one or more than one trench.	No change
9.	Entitled to domestic/foreign trips along with family. The expense of the trips will be borne and/or reimbursed by the Company upto the limit ₹ 24 Lakh per annum.	This stand omitted
10.	Reimbursement of medical expenses incurred (including mediclaim insurance policy of upto ₹ 100 Lakhs) on actual basis for self, family and parents.	No change
11.	Reimbursement of actual education expenses including travel fare, boarding and lodging expenses of children.	This stand omitted

The Board recommends the Special Resolution in relation to adoption of the above terms of remuneration to Mr. Percy Chowdhry, Executive Director of the Company for the approval of the Shareholders in compliance with the provision of Section 196, 197, 198 and the Schedule V of the Companies Act, 2013.

Except Mr. Percy Chowdhry being interested party and Mr. Boman Irani being relative of Mr. Percy Chowdhry, none of the Directors, Promoters, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financial or otherwise, in the above proposed resolution.

Item No. 10

This is to apprise the Shareholders that the Nomination and Remuneration Committee and Board of Directors at their respective meetings held on February 7, 2023 have recommended to pay to all the Non-Executive Directors of the Company:

- (a) in aggregate the commission upto 1% of the profit OR
- (b) ₹ 15,00,000/- per annum per Non-Executive Director,

whichever is lower, exclusive of sitting fees payable to each of the Non-Executive Director for attending the Board

Notes

Meetings/Committee Meetings, for a period of three years commencing from April 01, 2023 to March 31, 2026.

In compliance with the Schedule V of the Companies Act, 2013, the Board recommends the Special Resolution to the Shareholders for their approval, in relation to approval of the remuneration to the Non Executive Director of the Company.

Except Mr. Ramesh Tainwala, Mr. Rahul Divan and Ms. Seema Mohapatra, for their respective commission, none of the other Directors, Promoters, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested whether financially or otherwise, in the above proposed resolution.

Item No. 11

This is to apprise the Shareholders that in terms of the provisions of Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"), a Company offering or making an invitation to subscribe to redeemable NCD's/Bonds/Other instruments on a private placement basis, is required to obtain prior approval of its Shareholders by way of a Special Resolution and such approval by way of special resolution can be obtained once a year for all the offers and invitations proposed to be made for such redeemable NCD's/Bonds/Other instruments for all private placements made during the year. The Company proposes to pass a suitable enabling resolution to allow the Company to offer redeemable NCD's/Bonds/Other

instruments not exceeding ₹ 1,000 Crores (Rupees One Thousand Crores Only) during the period of one year from the date of passing of the resolution set out at Item No. 11, on a private placement basis at an interest rate that will be determined by the Board considering the prevailing money market conditions at the time of the borrowing.

The approval of the Shareholders, is therefore being sought by way of a Special Resolution under Sections 42 and 71 of the Companies Act, 2013 read with the Rules made thereunder, to enable the Board of Directors of the Company to offer or invite subscriptions for redeemable NCDs/Bonds/Other instruments, whether secured or unsecured, listed and/or unlisted, on a private placement basis, in one or more tranches, for an amount not exceeding ₹ 1,000 Crores (Rupees One Thousand Crores Only), during the period of one year from the date of passing of the resolution set out at Item No. 11 which shall be within the overall borrowing limits of the Company, as approved by the Shareholders from time to time with the authority to the Board of Directors to determine the terms and conditions, including the issue price of the redeemable NCD/Bonds and other instruments.

The Board recommends the passing of the resolution set out at item No. 11 of the accompanying notice as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested whether financially or otherwise in this item of business.

By Order of the Board of Directors
For **Keystone Realtors Limited**

Place: Mumbai
Date: August 07, 2023

Registered Office Address:

702, Natraj, MV Road Junction,
Western Express Highway,
Andheri (East), Mumbai 400069.
CIN: L45200MH1995PLC094208
Website: www.rustomjee.com
E-mail: cs@rustomjee.com
Ph: +91 22 66766888

Bimal K Nanda
Company Secretary and Compliance Officer
Mem. No. A11578

Notes

Annexure I to Explanatory Statement

NOTE FOR THE ITEM NOS. 7 TO 10 OF THE AGENDA

IN TERMS OF CLAUSE 1.2.5 OF SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Information as required under Schedule V for item Nos. 7 to 10 along with the Notice calling the general meeting is mentioned below:

I. General Information:

1.	Nature of Industry	Real Estate	
2.	Date or Expected date of commencement of commercial production	Not Applicable as the Company has already commenced its business activities	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4.	Financial performance based on given indicators	Particulars of F.Y. 2022-23	Amount in Lakhs
		Revenue	32,806
		Other Income	8,283
		Total Income	41,089
		Expenditure	26,492
		Profit before Exceptional Items	14,597
		Exceptional Items	0
		PBT	14,597
		Tax	3,674
		PAT	10,923
5.	Foreign investments or collaborations, if any	Except the shares acquired by the Foreign Institutional Investors during Company's Initial Public Offering, there is no direct foreign investment in the Company. There is no foreign collaboration in the Company.	

II. Information about the appointee:

1.	Background Details	Refer Schedule 1 of the explanatory statement to this notice.
2.	Past Remuneration	Refer Schedule 1 of the explanatory statement to this notice.
3.	Recognition or awards	Not Applicable
4.	Job Profile and suitability	Not Applicable
5.	Remuneration proposed	Refer explanatory statement for item number 7 to 10 of this notice.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	It is commensurate with the remuneration paid to CMDs/EDs in other companies in the industry.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Refer explanatory statement for item number 7 to 10 of this notice.

Notes

III. Other Information:

1.	Reasons for Loss or Inadequate profits	Members are hereby informed that the Company is proposing special resolutions at item no. 7 to 10 so as to abide with section 197 read with Schedule V of the Companies Act, 2013. The resolutions under Schedule V of the Act have been put forth as a matter of abundant precaution, so as to mitigate any potential challenges that could affect the Company's financial stability during the currency of tenure of the Executive Directors.
2.	Steps taken or proposed to be taken for Improvement	The Company operates in the Real Estate business and has implemented several cost-saving measures to effectively reduce its expenses. By implementing these measures, the Company aims to optimize its financial performance and enhance its overall profitability.
3.	Expected increase in productivity and profits in measurable terms	As mentioned in point no.2 above the Management has already taken various initiatives to improve its present position which it anticipates that a noticeable decrease in overall costs will be observed.

Schedule 1

A. Information about Mr. Boman Irani

Sr. No.	Particulars	Information
1	Age	54 years
2	Qualification	He holds a bachelor's degree in engineering from M. H. Saboo Siddik College of Engineering
3	Experience	He is a Chairman and Managing Director of the Company. He has 27 years of experience in the real estate industry. He has been associated with the Company as a Director since 1996.
4	Terms & conditions of appointment	Part of the Explanatory Statement
5	Remuneration proposed	Part of the Explanatory Statement
6	Remuneration last drawn	₹ 4.14 Crores per annum
7	Shareholding in the Company	4,78,72,460 Equity Shares of ₹ 10 each fully paid up
8	Relationship with other Directors, Manager and other KMPs	Brother of Mr. Percy Chowdhry
9	Number of Meetings of the Board attended during the Financial year	14
10	Other Directorships	<ul style="list-style-type: none"> • Apex Infraprojects Private Limited • Attarchand Trading Company Private Limited • Classic Legends Private Limited • Confederation Of Real Estate Developers' Associations of India • CREDAI Clean City Movement • Kapstone Constructions Private Limited • Mt K Kapital Private Limited • Parsn Built Well Private Limited • Riverstone Educational Academy Private Limited • Rustomjee Knowledge City Private Limited • Sanguinity Realty Private Limited • Zorabian Agro Private Limited
11	Membership/Chairmanship of Committees of other Boards	NA

Notes

B. Information about Mr. Chandresh Mehta

Sr. No.	Particulars	Information
1	Age	54 years
2	Qualification	He holds a bachelors degree of technology in electrical engineering from Banaras Hindu University, Varanasi and a post-graduate diploma in management from Xavier Institute of Management, Bhubaneswar.
3	Experience	He is an Executive Director of the Company. He has 27 years of experience in the real estate industry.
4	Terms & conditions of appointment	Part of the Explanatory Statement
5	Remuneration proposed	Part of the Explanatory Statement
6	Remuneration last drawn	₹ 4.14 Crores per annum
7	Shareholding in the Company	2,39,36,230 Equity Shares of ₹ 10 each fully paid up
8	Relationship with other Directors, Manager and other KMPs	NA
9	Number of Meetings of the Board attended during the financial year	15
10	Other Directorships	<ul style="list-style-type: none"> • Bloom Child Development Centre Private Limited • Credence Property Developers Private Limited • Eassy Innovative Services Private Limited • Eassyskill Services Private Limited • Imperial Infradevelopers Private Limited • Jyotirling Constructions Private Limited • Kapstone Constructions Private Limited • Keystone Infrastructure Private Limited • Keystone Realtors Limited • Krishika Developers Private Limited • Parsn Built Well Private Limited • Riverstone Educational Academy Private Limited • Shalom Voyagers Private Limited • Sweety Property Developers Private Limited
11	Membership/Chairmanship of Committees of other Boards	NIL

C. Information about Mr. Percy Chowdhry

Sr. No.	Particulars	Information
1	Age	52 years
2	Qualification	He holds a bachelor's degree in commerce from the University of Bombay.
3	Experience	He is the Executive Director of the Company. He has 24 years of experience in the real estate industry.
4	Terms & conditions of appointment	Part of the Explanatory Statement
5	Remuneration proposed	Part of the Explanatory Statement
6	Remuneration last drawn	₹ 2.07 Crores per annum

Notes

C. Information about Mr. Percy Chowdhry (Contd.)

Sr. No.	Particulars	Information
7	Shareholding in the Company	2,39,36,230 Equity Shares of ₹ 10 each fully paid up
8	Relationship with other Directors, Manager and other KMPs	Brother of Mr. Boman Irani
9	Number of Meetings of the Board attended during the financial year	15
10	Other Directorships	<ul style="list-style-type: none"> • Charisma Developers Private Limited • Credence Property Developers Private Limited • Kapstone Constructions Private Limited • Keyspace Realtors Private Limited • Mt K Kapital Private Limited • Parsn Built Well Private Limited • Riverstone Developers Private Limited • Riverstone Educational Academy Private Limited • Rustomjee Academy for Global Careers Private Limited • Rustomjee Knowledge City Private Limited • Shalom Voyagers Private Limited • Sweety Property Developers Private Limited
11	Membership/Chairmanship	NIL

D. Information about Independent Directors

Sr. No.	Particulars	Mr. Ramesh Tainwala	Mr. Rahul Divan	Ms. Seema Mohapatra
1	Age	63 years	54 years	54 years
2	Qualification	He holds a master's degree in management studies from the Birla Institute of Technology & Science.	<p>He is a Fellow member of the Institute of Chartered Accountants of India. (FCA) Fellow member of the Institute of Chartered Accountants in England and Wales (FCA).</p> <p>Has done Foundation Course in Accountancy, Oxford Polytechnic, Oxford, U.K.</p> <p>Has done B.A., Economics & Commerce, Bombay University.</p>	She holds bachelor degree in commerce and MBA in Marketing

Notes

D. Information about Independent Directors (Contd.)

Sr. No.	Particulars	Mr. Ramesh Tainwala	Mr. Rahul Divan	Ms. Seema Mohapatra
3	Experience	He holds a master's degree in management studies from the Birla Institute of Technology & Science. He was associated with Samsonite International S.A. as the Chief Executive Officer upto May 31, 2018. Presently, he is a Director in Samsonite South Asia Private Limited	He is Managing Partner of Rahul Gautam Divan & Associates, Mumbai, since 2000 and also he is Partner of Chandabhoy & Jassoobhoy, Ahmedabad	She has three decades of experience in the Media and Entertainment industry and brings a unique combination of executive and entrepreneurial expertise. Currently she is the co-founder of Ten Years Younger Productions and has produced critically acclaimed content. Prior to her transition to the world of film making, she had a long executive career with the BBC. She headed the South Asian Operation of BBC Advertising for BBC Worldwide. She was also a Member of the Board of Directors of BBC Worldwide India Private Limited and trustee of the BBC World Service Trust in India.
4	Terms & conditions of appointment	Not Applicable	Not Applicable	Not Applicable
5	Remuneration proposed	As mentioned in the Explanatory Statement	As mentioned in the Explanatory Statement	As mentioned in the Explanatory Statement
6	Remuneration last drawn	NIL	NIL	NIL
7	Date of first appointment	May 11, 2022	May 11, 2022	May 11, 2022
8	Shareholding in the Company	NIL	NIL	NIL
9	Relationship with other Directors, Manager and other KMPs	None	None	None
10	Number of Meetings of the Board attended during the year	9	9	9

Notes

D. Information about Independent Directors (Contd.)

Sr. No.	Particulars	Mr. Ramesh Tainwala	Mr. Rahul Divan	Ms. Seema Mohapatra
11	Other Directorships	Samsonite South Asia Private Limited Planet Retail Holdings Private Limited Tainwala chemicals and Plastics (India) Limited Wacoal India Private Limited Tainwala Trading and Investment Company Private Limited Tainwala Holdings Private Limited Concept Reality and Securities Private Limited Alpargatas India Fashions Private Limited Eergic Foundation	The Ruby Mills Limited Integra Engineering India Limited Baltic Consultancy and Services Private Limited Serendib Investments Private Limited Fairway Sports Private Limited	Rustomjee Realty Private Limited
12	Membership/ Chairmanship of Committees of other Boards	NIL	2	NIL

By Order of the Board of Directors
 For **Keystone Realtors Limited**

Place: Mumbai
Date: August 07, 2023

Bimal K Nanda
 Company Secretary and Compliance Officer
 Mem. No. A11578

Registered Office Address:
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Kustomjee®

KEYSTONE REALTORS LIMITED

Registered Office Address

702 Natraj, M.V. Road Junction,
Western Express Highway, Andheri (E)
Mumbai - 400 069, Maharashtra, India.

Telephone : 022-66 766 888 / 889