

Date: August 28, 2023

To
BSE Limited,
Listing Department,
P.J. Towers, Dalal Street,
Mumbai - 400001.
Scrip Code: 502445

Sub: Submission of Annual Report for the Financial Year 2022-23.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report of the Company for the financial year 2022-23 along with the notice convening the Annual General Meeting to be held on Friday, September 22, 2023 at 03.00 P.M. IST through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM").

The Annual Report for the financial year 2022-23 is also available on the Company's website at www.citadelrealty.in.

This is for your information and record.

Yours Truly,
Citadel Realty and Developers Limited


Yogesh Patole
Company Secretary and Compliance Officer
Membership No.: A48777



CITADEL

REALTY & DEVELOPERS LTD.

63rd **ANNUAL REPORT**

2022-23



MARATHON

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DIRECTORS

- Mr. V. Ranganathan - Chairman & Independent Director
- Mr. Chetan R. Shah - Director
- Mr. Nilesh Dand - Director & C.F.O.
- Mr. Sundaram Ramamurthi - Director & C.E.O.
- Mrs. Sonal M. Shah - Director
- Mr. Devendra J. Shrimanker - Independent Director

COMPANY SECRETARY

- Mr. Kiran Bangera (Upto 19/04/2023)

AUDITORS

- **STATUTORY AUDITORS**

BIPIN B. SHAH & CO.

Chartered Accountants

Flat No. 18, 3rd Floor, Fair Field,
B-Wing, Ram Krishna Mission Road,
Santacruz West, Mumbai - 400 054.
Tel: +91 22 2600 1054/2649 5925

- **SECRETARIAL AUDITORS**

NITIN R. JOSHI

Practicing Company Secretary

415, Marathon Max, Next to Udyog Kshetra,
Jn. Of L.B.S. Marg & Goregoan Link Road,
Mulund (W), Mumbai - 400 080.
E-mail: n_r_joshi@yahoo.com
Tel. 2562 5660

BANKERS :

- Bank of Baroda
- Kotak Mahindra Bank Limited
- Axis Bank Limited

REGISTERED OFFICE :

Marathon Futurex
N. M. Joshi Marg, Lower Parel,
Mumbai - 400 013.

CORPORATE OFFICE :

702, Marathon Max,
Jn. of Goregaon Link Road, Mulund,
Mumbai - 400 080.

CIN : L21010MH1960PLC011764

Website : <http://www.citadelrealty.in>

NOTICE

NOTICE is hereby given that the 63rd Annual General Meeting (“AGM”) of the members of Citadel Realty and Developers Limited (“Company”) will be held on Friday, September 22, 2023 at 3:00 p.m. (IST) through Video Conferencing (VC) facility/Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone & Consolidated Audited 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.
2. Re-appointment of Ms. Sonal Mayur Shah (DIN. 00199734), Director liable to Retire by Rotation and whom had offered herself for re-appointment.

Regd. Office:

Marathon FutureX,
N. M. Joshi Marg, Lower Parel (W),
Mumbai 400013
CIN: L21010MH1960PLC011764

By Order of the Board

For **Citadel Realty and Developers Limited**

S. Ramamurthi

Director & CEO

DIN: 00135602

Dated: August 9, 2023

Place: Mumbai

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. 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 Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) 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 venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.citadelrealty.in The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

CITADEL REALTY AND DEVELOPERS LIMITED

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, September 19, 2023, 9:00 A.M. and ends on Thursday, September 21, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 15, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 15, 2023.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Log-in method for e-Voting and joining virtual meeting for Individual members/members holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Log-in method for Individual Members holding securities in Demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 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 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Members/Member can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL. | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. 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 user your existing my easi username & password. 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 company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the |

| | |
|---|--|
| | <p>meeting. Additionally, there is 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.</p> <p>3. If the user is not registered for Easi/Easiest, 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.</p> <p>4. Alternatively, the user can directly access 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, 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.</p> |
| 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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode 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 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- 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, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those members whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Members

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to n_r_joshi@yahoo.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Megha Malviya at evoting@nsdl.co.in

Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to citadel@marathonrealty.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to citadel@marathonrealty.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at citadel@marathonrealty.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at citadel@marathonrealty.com from September 15, 2023 to September 19, 2023.

Regd. Office:

Marathon FutureX,
N. M. Joshi Marg, Lower Parel (W),
Mumbai 400013
CIN: L21010MH1960PLC011764

By Order of the Board

For **Citadel Realty and Developers Limited**

S. Ramamurthi

DIN: 00135602

Director & CEO

Annexure

Additional information on Director recommended for reappointment as required under Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 and applicable provisions of Secretarial Standards:

Ms. Sonal Mayur Shah (DIN. 00199734) - Ms. Sonal Mayur Shah, Non-Executive, Non- Independent Director of the Company, retire at this AGM, being eligible offer herself for reappointment. Her brief profile is as follows:

| | |
|--|--|
| Name of Director | Sonal Mayur Shah |
| Date of Birth | 23-03-1964 |
| First Appointment by the Board | 25-03-2015 |
| Qualification | B.com LLB |
| Expertise in specific functional areas | Ms. Shah is involved in various activities of the Marathon Group. She has successfully carried out the execution work of Marathon Nagari an affordable housing project which was awarded as the “Best Residential Apartment-Low Cost-Metro” across India by CREDAI in August 2012. |
| Other Companies in which Directorship held | 3 |
| Other Public Companies in which membership of Committees of Directors held | Nil |
| No. of shares held as on 31.03.2023 | 270000 |
| Relationship with other Director, Manager & KMP | Wife of Mr. Mayur Shah, who is brother of Mr. Chetan Shah |
| Board Meeting attended (F.Y. 2022-23) | 4 |

DIRECTOR'S REPORT

To
The Members

Your Directors have pleasure in presenting before the shareholders the 63rd Annual Report together with the Audited Financial Accounts of the company for the year ended 31st March, 2023:

1. Financial Highlights:

The Company's financial performance for the year under review along with previous year's figures is given here under:

(Amount in lakh except EPS)

| Particulars | STANDALONE | | CONSOLIDATED | |
|--|---|---|---|---|
| | Financial Year ended 31 st March, 2023 | Financial Year ended 31 st March, 2022 | Financial Year ended 31 st March, 2023 | Financial Year ended 31 st March, 2022 |
| Revenue from Operations | 282.34 | 251.82 | 282.34 | 251.82 |
| Other income | 3.36 | 1.06 | - | - |
| Total Revenue | 285.70 | 252.88 | 282.34 | 251.82 |
| Expenses | 27.54 | 21.69 | 27.54 | 21.69 |
| EBITDA | 258.16 | 231.19 | 254.80 | 230.13 |
| Depreciation and Amortization | - | - | - | - |
| EBIT | 258.16 | 231.19 | 254.80 | 230.13 |
| Interest and Finance charge | 118.42 | 174.20 | 118.42 | 174.20 |
| Earning Before Tax (EBT) | 139.74 | 56.99 | 136.38 | 55.93 |
| Less: Taxation: | | | | |
| - Current Tax | 9.86 | - | 9.86 | - |
| - Deferred Tax | 27.23 | 16.71 | 27.23 | 16.71 |
| - Total tax expense from continuing operations | 37.09 | 16.71 | 37.09 | - |
| Profit/Loss After Tax | 102.65 | 40.28 | 99.29 | 39.22 |
| Share in the Profit of the Firm | - | - | 3.01 | 4.13 |
| Net profit for the period | 102.65 | 40.28 | 102.30 | 43.35 |
| Earning Per Share (Rs.) | 1.30 | 0.51 | 1.30 | 0.55 |
| Diluted Per Share (Rs.) | 1.30 | 0.51 | 1.30 | 0.55 |

2. BUSINESS OVERVIEW /PROSPECTS /NATURE OF BUSINESS:

The Company currently is developing project under the aegis of the Slum Rehabilitation Authority to rehabilitate a slum in Bhandup which is in the eastern suburbs of Mumbai. There is a significant improvement in the demand for affordable housing which augurs well for the future of the Company. The Company also has entered into a JV with a group Company for development of a nearby slum Project and the construction activities are yet to be commenced.

The Company is primarily engaged in the activities of Real Estate Development. There was no change in nature of the business of the Company, during the year under review.

3. DIVIDEND:

As a prudent economic measure and in order to conserve the scarce liquid resources of the Company, your Directors do not recommend any dividend on the equity shares for the year under review.

4. TRANSFER TO RESERVES:

During the period under review no amount is proposed to be transferred to General Reserve

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

There is no unclaimed dividend lying in terms of section 125(2), of the Companies Act 2013 and accordingly the provisions of said section do not apply.

6. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no material changes during the year which will affect the financial position of the Company.

Post approval of the shareholders of the Company, through the Postal Ballot process, on March 20, 2023 the Company has allotted of 13,500 (CCDs) (FV: Rs. 1000/-) to Fibre Box Bombay Private Limited (part of Promoters Group) as the part of further restructuring of the existing outstanding ICDs as on Dec 31, 2022 to the extent of Rs. 2,43,56,000 wherein such restructuring shall also include the option to the Company to convert the CCDs, in full or in part. Post issue of CCDs which are convertible(in full) into equity shares within 18 months of the issue. The outstanding ICDs in the books of the Company would stand at Rs.1,08,56,000/-.

7. CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements as stipulated by Securities and Exchange Board of India (SEBI). The report on Corporate Governance as per the requirement of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 forms an integral part of this Annual Report.

Certificate on Corporate Governance

As required by SEBI (LODR) Regulation, 2015, Certificate on Corporate Governance is attached as 'Annexure 1' of the Company.

8. PUBLIC DEPOSITS:

The Company has not accepted any fixed deposits, covered under Chapter V of the Companies Act, 2013.

9. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL(KMP)/ DECLARATION FROM INDEPENDENT DIRECTORS:**a. Composition of the Board:**

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015 which, inter alia, stipulates that the Board should have an optimum combination of executive and non-executive directors.

As on 31st March, 2023 the Board comprised of six Directors including one Woman Director and two independent Directors including the non-executive Chairman.

b. Retire by Rotation

As per Provision of Companies Act, 2013, Ms. Sonal Mayur Shah (DIN: 00199734), Executive Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. The Board recommended her reappointment to the shareholders.

c. Meeting of IDs & Declaration

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on March 9, 2023.

The Company has received declarations from all the Independent Directors confirming that they met the criteria of Independence as prescribed under Section 149 (6) & (7) of the Companies Act, 2013 issued there under and under Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Based on the declarations and confirmations of the Independent Directors and after undertaking due assessment of the veracity of the same, the Board of Directors recorded their opinion that all the Independent Directors are independent of the Management and have fulfilled all the conditions as specified under the governing provisions of the Companies Act, 2013 and the Listing Regulations.

Further, the Independent Directors have also confirmed that they have complied with the Company's code of conduct.

10. PERFORMANCE EVALUATION:

The Performance Evaluation of all Directors was undertaken as per the prescribed standards. The Independent Directors of the company have formalized the mode of carrying out such evaluation of all the directors for the year under review. Also, during the year under review, the Independent Directors have suggested process improvement on the matter relating to performance evaluation of Independent Directors under Section 134 (3) (p) read with Articles VII and VIII of Schedule IV of Companies Act, 2013 and Reg. 25 of SEBI (LODR) Regulations, 2015.

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year, four meetings of the Board of Directors were held. The details of the meetings are as follows: -

April 29, 2022, August 9, 2022, November 9, 2022 and February 13, 2023.

12. VIGIL MECHANISM & POSH POLICY:

The Company has duly incorporated the Vigil Mechanism / Whistle Blower in the Code of Conduct for Directors and Senior Management. Each year necessary affirmation of compliance is made and the same is informed to the Audit Committee/Board.

The said "Vigil mechanism" is hosted on the website of the Company under the head of "whistle blower mechanism". The mechanism has necessary provisions relating to reporting the complaint of unethical /improper conduct to the Chair of "Audit Committee" and action suitable steps to investigate, safeguarding measures of the "whistle blower"/s.

During the year under review, no complaints or alert received from any of the stake holders that are reportable to the Chair of the Audit Committee.

13. AUDIT COMMITTEE:

An Audit Committee of Board of Directors is in existence in accordance with the provisions of sec 177 of the Companies Act 2013. Kindly refer action on Corporate Governance, under head "Audit Committee" for matters relating to constitution, meetings and functions of the Committee.

14. NOMINATION AND REMUNERATION POLICY:

A Nomination and Remuneration Committee of Board of Directors is in existence in accordance with the provisions of sec 178 of the Companies Act 2013. Kindly refer section on Corporate Governance, under head "Nomination and Remuneration Committee" for matters relating to constitution, meetings and policy of the Committee.

15. RISK MANAGEMENT POLICY:

The Board at its Meeting undertakes periodic reviews of the potential risks and its mitigation measures in line with its corporate strategy, major plans of action setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and disinvestments. Presently, there is no separate Policy for Risk Management.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company being formed for and engaged in real estate development (Infrastructural facilities) is exempt from the provisions of Section 186 of the Companies Act, 2013 related to any loans made or any guarantees given or any securities provided or any investments made by the Company.

17. PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY:

During the financial year, all the contracts or arrangements with Related Party are at arm's length basis and in ordinary course of business. During the year under review, the Company has not entered into any new transactions or arrangement with related party/ies. Please refer AOC-2 in 'Annexure-2'.

18. MANAGERIAL REMUNERATION/ PARTICULARS OF EMPLOYEE:

The Company has no employee who receives remuneration to the extent provided in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2023. The details required as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure D". However pursuant to provision of section 136(1) of the Act, this report is being sent to the shareholders excluding the information required as per Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. DISCLOSURE RELATED TO EMPLOYEE STOCK OPTIONS PLAN:

During the year under review, the Company has not either approved or granted any Stock Options under any Plan.

20. STATUTORY AUDITORS AND AUDITORS REPORT:

M/s Bipin B Shah & Co. (Firm Reg. No. 101511W) had been re-appointed as Statutory Auditors of the Company for the second term of 5 years at the 60th Annual General Meeting.

The auditor's report does not contain any qualification, reservation or adverse remark or disclaimer or modified opinion.

21. MERGER/AMALGAMATION:

No scheme of Merger/Amalgamation is pending as on date.

22. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR) /COMMITMENT TOWARDS SUSTAINABILITY WHILE UNDERTAKING PROJECTS:

The submission of the BRSR for the year under review is not applicable to the Company.

23. SECRETARIAL AUDITOR:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Nitin Joshi, Practicing Company Secretary (Membership No: FCS No. 3137 and CP No. 1884) as Secretarial Auditor of the Company on April 29, 2022 for FY 2022-23.

The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith as 'Annexure – 3' form parts of the Board's Report.

24. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR):

The Company does not meet with criteria given under section 135 (1) of the Companies Act, 2013 pertaining to CSR contribution.

25. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

The particulars of Associates and Joint Venture have been disclosed in the Notes of the Financial Statement of the Company. During the year under review, Company do not have any Subsidiary Company.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's associate company in Form AOC-1 is attached as Annexure A to this report.

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

During the year under review, there are no order/s passed by the Regulators/Courts/Tribunal impacting the "Going Concern" status of the Company.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The internal control commensurate with the activities is supplemented by continuous review by the management. The internal control system is designed to ensure that every aspect of the company's activity is properly monitored. At the Group level there has been an extensive exercise conducted on Internal Financial Controls. The Statutory Auditors have specifically commented on the existence of adequate Internal Financial Controls in relation to the activities of the company.

28. DIRECTOR'S RESPONSIBILITY STATEMENT:

The Directors confirms that:

- i. in the preparation of the accounts for the year ended March 31st 2023, the applicable amended accounting standards have been followed.
- ii. appropriate accounting policies have been selected and applied consistently and reasonably so as to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the year under review, as at March 31, 2023;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- iv. the annual accounts for the year ended March 31, 2023 have been prepared on the basis that the Company is “Going Concern”.
- v. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Company undertakes necessary Energy conservation and technology absorption methods while executing the projects by implementing advanced building system and usage of energy efficient materials during the construction of Projects.

There were no foreign exchange earnings and outgo during the current period.

30. ANNUAL RETURN:

Annual return in accordance with the Companies Act, 2013, the annual return in the prescribed format is available at www.citadelrealty.in

31. COST RECORDS AND COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act 2013 are not applicable for the business activities carried out by the Company.

32. OTHERS:

REPORT U/S 134 (3) OF THE COMPANIES ACT 2013:

A report containing relevant information as required by the said section of the Companies Act 2013 is dealt separately and forms part of this Directors Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report, which gives a detailed account of state of affairs of the operations of the Company forms part of this Annual Report.

BOARD COMMITTEES:

The Board of Directors has constituted three Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. All decisions pertaining to the constitution of Committees, appointment of Members and fixing of terms of reference / role of the committees are taken by the Board of Directors.

Detailed particulars relating to the above Committees have been furnished in Corporate Governance for the year ended 31st March 2023.

REPLY TO THE OBSERVATION OF SECRETARIAL AUDITOR

The Board is in look out for suitable CEO for the Company. As the Company is in slum rehabilitation segment, the present CEO (KMP) who is holding the position under Section 203 of the Act is an expert in Realty sector and is part of Senior Management and Board of the Company. Hence he has been requested to continue as such till suitable person is appointed either within the group or from outside.

There has not been any operations during the FY 2022-23, hence the Internal Audit requirements was not needed. Now the Company has taken up the appointment of Internal Auditor for FY 2023-24.

Due to technical glitch in the installation of and further processing in the software, there has been delay in the maintenance of information in SDD software and there has been belated disclosure.

DISCLOSURE UNDER THE SEXUAL HARASSEMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Marathon group have in place a Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) and others are covered under this policy. During the year under review, No Complaints were received.

COMPANIES SECRETARIAL STANDARDS:

The Directors state that applicable secretarial standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors and 'General Meetings', respectively, have been duly followed by the Company.

LISTING FEE:

The Annual Listing Fee for the Financial Year 2022-23 has been duly paid within the stipulated time to BSE Limited.

DEMATERIALIZATION OF SHARES:

The members are aware that the Company's equity shares are under compulsory trading in dematerialized form for all categories of investors. The shareholders, who are holding the shares of the Company in physical mode, are requested to Demat their holding at the earliest, so as to reap the corporate benefits like Transfer, Dividends, Bonus etc., without loss of time. SEBI has already mandated that wef April 2019 sale/transfer of securities in physical mode is NOT PERMITTED.

SERVICE OF DOCUMENTS:

All documents, including the Notice and Annual Report shall be sent through electronic transmission in respect of the members whose email IDs are registered in their Demat a/c or otherwise provided by them.

A Member shall be entitled to request for physical copy of any such document.

33. ACKNOWLEDGMENT

The Directors take this opportunity to thank all shareholders, customers, bankers, contractors, suppliers, joint venture partners and associates of your Company for the support received from them during the year.

Regd. Office:

Marathon Futurex,
N.M.Joshi Marg, Lower Parel (W),
Mumbai 400 013

Dated: August 9, 2023

On behalf of the Board of Directors

S. Ramamurthi
Director & CEO
DIN: 00135602

Chetan Shah
Director
DIN: 00135296

Annexure 1

Form AOC - I

CERTIFICATES ON CORPORATE GOVERNANCE

To
The Members of
Citadel Realty & Developers Limited
Mumbai.

We have examined the compliance of the conditions of Corporate Governance by Citadel Realty & Developers Limited ('the Company') for the year ended on March 31, 2023, as stipulated in as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our 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 our opinion and to the best of our information and according to the explanations given to us, 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, we 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 as applicable.

We 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.

Sd/-
Nitin Joshi
Practicing Company Secretary
FCS No: 3137
PCS No: 1884
UDIN: F003137E000771190

Date : August 9, 2023
Place: Mumbai

Annexure 2

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm’s length basis.

| SL. No. | Particulars | Details |
|---------|---|-------------|
| a) | Name (s) of the related party & nature of relationship | NA |
| b) | Nature of contracts/arrangements/transaction | SHOWN BELOW |
| c) | Duration of the contracts/arrangements/transaction | NA |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | NA |
| e) | Justification for entering into such contracts or arrangements or transactions’ | NA |
| f) | Date of approval by the Board | NA |
| g) | Amount paid as advances, if any | NA |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA |

2. Details of contracts or arrangements or transactions at Arm’s length basis.

| SL. No. | Particulars | Details |
|---------|---|--|
| a) | Name (s) of the related party & nature of relationship | Marathon Realty Pvt Ltd (Associate) Shree Swami Samarth Builders and Developers (Joint Venture) FIBRE BOX BOMBAY PRIVATE LTD |
| b) | Nature of contracts/arrangements/transaction | At Ordinary Course of Business |
| c) | Duration of the contracts/arrangements/transaction | Ongoing basis |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | As per Financial Statements |
| e) | Date of approval by the Board | Existing, Approved RPTs. |
| f) | Amount paid as advances, if any | as detailed below |

| Sr. No. | Name of the Related Party | Nature of Relationship | Nature of Transaction | Transaction Value (₹ in Lakhs) |
|---------|---|------------------------------|-------------------------------|--------------------------------|
| 1 | Shree Swami Samarth Builders and Developers | Joint Venture | Loan Given | 2635.20 |
| 2 | Marathon Realty Private Ltd | Associates | Inter Corporate Deposit taken | 1114.59 |
| 3 | Fibre Box India Private Ltd | Significant influence of KMP | Inter Corporate Deposit taken | 243.56 |

‘Annexure 3’

Form No. MR 3**Nitin R. Joshi**

B.COM. LL.B., D.C.E.C., F.C.S.

COMPANY SECRETARY

(Peer Reviewed Firm)

415, Marathon Max, Next to Udyog Kshetra,
Jn. of L.B.S. Marg & Goregoan Link Road,
Mulund (W), Mumbai-400 080.
E-mail: n_r_joshi@yahoo.com
Tel. 2562 5660/61 Cell 98201 29178.

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,
The Citadel Realty & Developers Limited.
Marathon Futurex,
N.M.Joshi Marg,
Lower Parel, Mumbai 400 013.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Citadel Realty & Developers 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 our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by 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 hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 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 and subject to the reporting made hereinafter:

I have examined the books, papers, 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 applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
 - (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent applicable to Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
 - (v) The following Regulations and Guidelines prescribed under the SEBI Act, 1992:
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The SEBI(Prohibition of Insider Trading) Regulations, 2015;
 - (c) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;(Not applicable to the Company during the Audit Period)
 - (d) The SEBI (Share Based Employee Benefits and Sweet Equity) Regulations, 2021; (Not applicable to the Company during the Audit Period)
 - (e) The SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period)
 - (f) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - (g) The SEBI (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - (h) The SEBI (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).
 - (vi) I further report that, having regard to the compliance system prevailing in the Company, considering and relying upon representation made by the Company and its officers for system and mechanism formed by the Company, I am of the opinion that the Company has complied with the following laws applicable specifically to the Company:
 - (a) The Real Estate (Regulation and Development) Act, 2016;
 - (b) The Maharashtra Ownership Flats (Regulation and Promotion of Construction, Sale, Management, Transfer) Act 1963 and its Rules;
 - (c) The Maharashtra Apartment Ownership Act 1970;
- I further report that** the Company has complied with the applicable clauses/regulations of the following:
- (i) Applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India;
 - (ii) The Equity Listing Agreement, to the extent applicable, entered into by the Company with BSE Limited; and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CITADEL REALTY AND DEVELOPERS LIMITED

During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent of observations as mentioned below:

- (i) Key Managerial Personnel (KMP) holding the similar position to another Company, which is inconsistent with the provision of Section 203 of the Companies Act, 2013.
- (ii) Internal Auditor be appointed as per provision of section 138 read with rule 13 of The Companies (Accounts) Rules, 2014.
- (iii) Yearly disclosure under Regulation 31(4) of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 made belatedly.
- (iv) Structured digital database containing the nature of unpublished price-sensitive information under Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 maintained belatedly.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

All decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Director & Chief Executive Officer and taken on record by the Board of Directors at their meeting(s), I am of the opinion there are adequate systems and processes in place in the Company which is commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

(NITIN R. JOSHI)

FCS : 3137 C.P. No. 1884
UDIN : F003137E000771146

Date: August 9, 2023
Place: Mumbai

Note: This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

Nitin R. Joshi
B.COM. LL.B., D.C.E.C., F.C.S.
COMPANY SECRETARY
(Peer Reviewed Firm)

415, Marathon Max, Next to Udyog Kshetra,
Jn. of L.B.S. Marg & Goregoan Link Road,
Mulund (W), Mumbai-400 080.
E-mail: n_r_joshi@yahoo.com
Tel. 2562 5660/61 Cell 98201 29178.

‘Annexure 1’

To
The Members,
The Citadel Realty & Developers Limited.
Marathon Futurex,
N.M.Joshi Marg, Lower Parel,
Mumbai 400 013.

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

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

(NITIN R. JOSHI)

FCS : 3137 C.P. No. 1884
UDIN : F003137E000771146

Date: August 9, 2023
Place: Mumbai

Annexure D

DISCLOSURE :

[Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

| Sr. No | Particulars | | | | Remarks |
|--------|---|---|------------------------------------|--|---------|
| i) | The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year: | | | | |
| | Sr. No. | Name of Director / Key Managerial Personnel | Designation | Ratio of remuneration of each Director to the median remuneration of the employees | N/A |
| | 1 | Mr. V. Ranganathan | Chairman & Independent Director | Nil | N/A |
| | 2 | Mr. Sundaram Ramamurthi | CEO & Director | Nil | N/A |
| | 3 | Mr. Nilesh Dand | Executive Director and CFO | Nil | N/A |
| | 4 | Mrs.Sonal M. Shah | Non- Executive Director | Nil | N/A |
| | 5 | Mr. Chetan R. Shah | Non Executive Promoter Director | Nil | N/A |
| | 6 | Mr. Devendra Shrimankar | Non Executive Independent Director | Nil | N/A |
| | 7 | Ms. Sucheta Chaturvedi | Company Secretary | Nil | N/A |
| | 8 | Mr. Kiran Bangera | Company Secretary | Nil | N/A |
| ii) | the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; | | | | N/A |
| iii) | the percentage increase in the median remuneration of employees in the financial year; | | | | N/A |
| iv) | the number of permanent employees on the rolls of Company | | | | N/A |
| v) | average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | | | | |
| | a) Average % increase in Managerial personnel: | | | | N/A |
| | b) Average % increase in other personnel: | | | | N/A |
| vi) | affirmation that the remuneration is as per the remuneration policy of the Company. | | | | N/A |

**ANNEXURE TO THE DIRECTORS' REPORT
CORPORATE GOVERNANCE REPORT**

1. Company's philosophy on code of Corporate Governance:

The Company's corporate governance is a reflection of the value system encompassing our culture, policies and relationship with our stakeholders. Integrity and transparency are key to our corporate governance practices to gain and retain the trust of our stakeholders at all times. Our corporate governance philosophy encompasses regulatory and legal requirements, which aims at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. The Management strives to adhere to all the Corporate Governance practices which form part of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company's philosophy of Corporate Governance is not only compliant with the statutory requirements but also underlines our commitment to operate in the best interest of the stakeholders.

Corporate Governance Structure:

The Company follows a dynamic governance structure with an appropriate flow of authority, which is aligned with the responsibility and obligations of each stakeholders. Tenet of the Corporate Governance structure is the three tier governance philosophy adopted by the Company, outlined below:

- (i) Tactical Supervision – The Board of Directors (Board) comprising of the Executive and Non-Executive Directors, sites the overall strategy for the Company. The focus is on the fiduciary and trusteeship role exercised by the Board to align and direct the actions of the organization towards creating wealth and stakeholder value.
- (ii) Executive Management - The Corporate Management comprising of the Executive Directors, Chief Executive Officer and Chief Financial Officer and the Company Secretary, shares the responsibility of driving the organization towards achieving the goals anchored by the Board of Directors.
- (iii) Operational Management – The Head of each Operations are responsible for managing the day to day affairs of the Company.

This three-tier Corporate Governance Structure not only ensures greater management accountability and credibility but also facilitates increased business autonomy, performance, discipline and development of business leaders.

2. Board of Directors:

There were Six Directors on the Board of the Company as on 31st March, 2023. The Board of Directors comprises of Executive Directors and Non-Executive & Independent Directors including a Woman Director. The Board is headed by Mr. Veeraraghavan Ranganathan, Chairperson & Non-Executive Independent Director.

The Board also comprises of Mr. Chetan Ramniklal Shah (Non-Executive - Non Independent Director), Mrs. Sonal Mayur Shah (Non-Executive - Non Independent Director), Mr. Devendra Jashwantrai Shrimanker (Non-Executive - Independent Director), Mr. Sundaram Ramamurthi (Executive Director & CEO) and Mr. Nilesh Dhankumar Dand (Executive Director & CFO).

a. Details relating to the composition and category of the Board of Directors, number of Directorships, Memberships and Chairmanships of the Directors of the Company in other companies (as on 31st March, 2023) are as follows:

| Name of the Director | Category of Director | Number of other Directorship held (including Private Limited Companies) | Number of Committee positions held in other public Companies | | Directorship in other listed entity (including Category of Directorship held) |
|-------------------------------------|---|---|--|-------------|---|
| | | | As Member | As Chairman | |
| Mr. Veeraraghavan Ranganathan | Chairperson & Non-Executive Independent Director. | Nil | Nil | Nil | Nil |
| Mr. Chetan Ramniklal Shah | Non-Executive Non Independent Director | 18 | 2 | Nil | 1 |
| Mrs. Sonal Mayur Shah | Non-Executive Non Independent Director | 3 | Nil | Nil | Nil |
| Mr. Devendra Jashwantrai Shrimanker | Non-Executive Independent Director | 3 | 2 | 4 | 2 |
| Mr. Sundaram Ramamurthi | Executive Director & CEO | 2 | 1 | Nil | 1 |
| Mr. Nilesh Dhankumar Dand | Executive Director & CFO | 5 | Nil | Nil | Nil |

Notes: if any

b. Details relating to the Board Meetings held during the Financial Year 2022-2023 along with the attendance of each of the Directors are as follows:

The Board met *four* times during the financial year under review on the following dates:

April 29, 2022, August 9, 2022, November 9, 2022 and February 13, 2023

Attendance:

| Sr. No. | Name of the Director | Number of meetings entitled to at end | Number of Meetings attended | Whether attended the last AGM (27.09.2021) |
|---------|--------------------------------------|---------------------------------------|-----------------------------|--|
| 1. | Mr. Veeraraghavan Ranganathan | 4 | 4 | Yes |
| 2. | Mr. Chetan Ramniklal Shah | 4 | 4 | Yes |
| 3. | Mrs. Sonal Mayur Shah | 4 | 4 | Yes |
| 4. | Mr. Devendra Jashwantraai Shrimanker | 4 | 4 | Yes |
| 5. | Mr. Sundaram Ramamurthi | 4 | 4 | Yes |
| 6. | Mr. Nilesh Dhankumar Dand | 4 | 4 | Yes |

c. Disclosure of Relationships between Directors inter-se:

| | | |
|----|-----------------------|---|
| 1. | Mrs. Sonal Mayur Shah | Wife of Mr. Mayur Shah, who is brother of Mr. Chetan Shah |
|----|-----------------------|---|

Except the above, none of the other Directors is related to each other.

d. Number of Shares and Convertible Instruments held by Non- Executive Directors:

None of the Non-Executive Directors holds any equity shares of the Company as of 31st March, 2023.

Post approval of the shareholders of the Company, through the Postal Ballot process, on March 20, 2023 the Company has allotted of 13,500(CCDs) (FV: Rs. 1000/-) to Fibre Box (Bombay) Private Limited (part of Promoters Group) as the part of further restructuring of the existing outstanding ICDs as on Dec 31,2022 to the extent of Rs. 2,43,56,000 wherein such restructuring shall also include the option to the Company to convert the CCDs, in full or in part. Post issue of CCDs which are convertible(in full) into equity shares within 18 months of the issue. The outstanding ICDs in the books of the Company would stand at Rs. 1,08,56,000/-.

- e.** The Company has a familiarization programme for the Independent Directors of the Company for them to get acquainted with the nature of business of the company.
- f.** The Board has identified the following core skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently possessed by all the Directors on the Board:

| | |
|-------------------------------|--|
| Skills /Expertise/ Competence | All the Board Members possess necessary skills, expertise and competence relevant to the business of the company |
| Industrial Expertise | |
| Financial Competence | |
| Technology Expertise | |
| Marketing Skills | |
| Operational Skills | |

- g.** Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

- h.** Details to be provided to change in Board of Directors and reason (if any) - No Change in the Board.

3. Audit Committee:

The Board of Directors has constituted Audit Committee in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Regulations) 2015. The terms of reference and scope of activities of the Audit Committee are in conformity with the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Regulations) 2015.

CITADEL REALTY AND DEVELOPERS LIMITED

The Audit Committee comprised of the following Directors as on 31st March, 2023:

| | | |
|----|------------------------------------|---|
| 1. | Mr. Veeraraghavan Ranganathan | Chairman (Non-Executive Independent Director) |
| 2. | Mr. Devendra Jashwantra Shrimanker | Member (Non-Executive Independent Director) |
| 3. | Mr. Sundaram Ramamurthi | Member (Executive Director & CEO) |

The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Audit Committee is responsible for overseeing the processes related to financial reporting and information dissemination. The primary objective of the Audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and transparency and integrity of financial reporting.

A. Meetings and Attendance:

Four Audit Committee Meetings were held during the year under review. The dates on which the meetings held are as follows:

April 29, 2022, August 9, 2022, November 9, 2022 and February 13, 2023

| Sr. No. | Name of the Member | Category | Number of Meetings entitled to attend | Number of Meetings attended |
|---------|------------------------------------|---|---------------------------------------|-----------------------------|
| 1. | Mr. Veeraraghavan Ranganathan | Chairman (Non-Executive Independent Director) | 4 | 4 |
| 2. | Mr. Devendra Jashwantra Shrimanker | Member (Non-Executive Independent Director) | 4 | 4 |
| 3. | Mr. Sundaram Ramamurthi | Member (Executive Director & CEO) | 4 | 4 |

4. Nomination & Remuneration Committee:

The Board of Directors has constituted the Nomination and Remuneration Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Regulations) 2015. The terms of reference and scope of activities of the Nomination and Remuneration Committee is in conformity with the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Regulations) 2015.

The Nomination and Remuneration Committee comprised of the following Directors as on 31st March, 2023:

| | | |
|----|------------------------------------|---|
| 1. | Mr. Devendra Jashwantra Shrimanker | Chairman (Non-Executive & Independent Director) |
| 2. | Mr. Veeraraghavan Ranganathan | Member (Non-Executive & Independent Director) |
| 3. | Mrs. Sonal Mayur Shah | Member (Non-Executive Director) |

The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

A. Meetings and Attendance:

During the year under review, two Meetings of the Committee was held on **April 29, 2022** and **August 9, 2022**

| Sr. No. | Name of the Member | Category | Number of Meetings entitled to attend | Number of Meetings attended |
|---------|------------------------------------|---|---------------------------------------|-----------------------------|
| 1. | Mr. Devendra Jashwantra Shrimanker | Chairman (Non-Executive & Independent Director) | 2 | 2 |
| 2. | Mr. Veeraraghavan Ranganathan | Member (Non-Executive & Independent Director) | 2 | 2 |
| 3. | Mrs. Sonal Mayur Shah | Member (Non-Executive Director) | 2 | 2 |

B. Performance evaluation criteria for Independent Directors:

The relevant information on performance evaluation for Independent Directors is covered under sub-heading 'Independent Directors' in this report.

5. Remuneration of Directors:

A. Pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company:

Except for the sitting fees paid to the Non-Executive Directors for attending the Board and Committee Meetings, there were no other pecuniary relationships or transactions of Non- Executive Directors vis- à-vis the Company.

B. Criteria of making payments to directors:

The sitting fees for FY 2022-23, payable every Directors is Rs.20, 000/- per meeting for attending the Meetings of the Board & Audit Committee and Rs.10,000/- per meeting for attending the Meetings of the Nomination and Remuneration Committee and Stakeholders Relationship Committee. Independent directors are paid sitting fees for their meeting exclusive of other directors and management which is within the limits prescribed under the provisions of the Act.

C. Disclosures with respect to remuneration in addition to disclosures required under the Companies Act, 2013:

Details of sitting fees paid for the financial year 2022-23 :

| Sr. No. | Name of the Director | Sitting fees paid (Rs. in Lakh) |
|---------|-------------------------------------|---------------------------------|
| 1. | Mr. Devendra Jashwantrai Shrimanker | 1.90 |
| 2. | Mr. Nilesh Dhankumar Dand | 0.80 |
| 3. | Mrs. Sonal Mayur Shah | 1.00 |
| 4. | Mr. Sundaram Ramamurthi | 1.60 |
| 5. | Mr. Veeraraghavan Ranganathan | 1.80 |
| 6. | Mr. Chetan Ramniklal Shah | 0.80 |

Notes:

a. The Company has not provided any Stock Options to its Directors

6. Stakeholders Relationship Committee:

The Board of Directors has constituted the Stakeholders Relationship Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Regulations) 2015. The terms of reference and scope of activities of the Stakeholders Relationship Committee is in conformity with the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Regulations) 2015.

A. Meetings and Attendance:

During the year under review, one Meeting of the Committee was held on April 29, 2022.

| Sr. No. | Name of the Member | Category | Number of Meetings entitled to attend | Number of Meetings attended |
|---------|-------------------------------|-------------------------------------|---------------------------------------|-----------------------------|
| 1. | Mr. Veeraraghavan Ranganathan | Chairman-Non- Executive Independent | 1 | 1 |
| 2. | Mr. Nilesh Dhankumar Dand | Non Executive Independent | 1 | 1 |
| 3. | Mr. Sundaram Ramamurthi | Executive | 1 | 1 |

B. Shareholders' Complaints during the Year:

| | |
|---|-----|
| Number of complaints received during the year | 3 |
| Number of complaints not solved to the satisfaction of shareholders | Nil |
| Number of pending complaints | Nil |

The SCORES website of SEBI for redressing grievances of the investors is being visited at regular intervals by the Company and there are no pending complaints registered with SCORES as on 31st March, 2023.

There are no pending cases of share transfer as on 31st March, 2023.

As per Regulation 46(2)(k) of the Listing Regulations, the contact information of designated official of the Company upto the financial year ended 31st March, 2023 viz. Company Secretary of the Company Tel. No. 022-67728475

7. Independent Directors:**Meeting of Independent Directors:**

The Company's Independent Directors met on March 9, 2023 without the presence of Executive Directors or members of the Management. All the Independent Directors attended the Meeting.

At the meeting held on March 9, 2023, the Independent Directors *inter-alia* reviewed the following:

1. Performance of the Non-Independent Directors;
2. Performance of the Chairman and Independent Directors and noting the performance assessments received from Non-Independent Directors; and
3. Assessed the quality, quantity and timelines of flow of information between the Company Management and the Board and performance of the Board as a whole and its Committee.

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared and circulated after covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A consolidated summary of the ratings given by each Director was then prepared, evaluated and discussed.

8. General body Meetings:

A. Particulars of the last 3 Annual General Meetings (AGM):

| Particulars | Date and Time | Venue | Details of Special Resolutions passed |
|--------------------------------------|---------------------------------------|---|--|
| 62 nd AGM (FY 2021-22) | 26th September, 2022 at 03.00 P.M. | Through Video Conferencing/ Audio Visual Means without physical presence of the members at a common venue | <ol style="list-style-type: none"> 1. Approval of enhanced limit-RPT with Marathon Realty Pvt Ltd. 2. Approval of enhanced limit-RPT with Shree Swami Samrath Builders and Developers. 3. Approval of enhanced limit-RPT with Fibre Box Bombay Pvt Ltd 4. Approval of existing RPT as per amendment made in Reg.23(8) of SEBI (LODR) Regulations |
| 61 st AGM (FY 2020-21) | 27th September, 2021 at 03.00 P.M. | Through Video Conferencing/ Audio Visual Means without physical presence of the members at a common venue | No |
| 60 th AGM (FY 2019-20) | 29th September, 2020 at 03.00 P.M. | Through Video Conferencing/ Audio Visual Means without physical presence of the members at a common venue | No |

B. Special Resolutions passed through Postal Ballot during the year under review:

During the financial year ended 31st March, 2023, Two (2) Special Resolutions was passed through Postal Ballot.

1. Re-appointment of Mr. Devendra Shrimankar (DIN 00385083) as an Independent Director of the Company dated July 8, 2022.
2. Allotment of 13,500 (CCDs) (FV: Rs. 1000/-) to Fibre Box Bombay Private Limited (part of Promoters Group) dated March 20, 2023.

A special resolution was approved by the shareholders of the Company, through the Postal Ballot process, on March 20, 2023 the Company for allotment of 13,500(CCDs) (FV: Rs. 1000/-) to Fibre Box (Bombay) Private Limited (Part of Promoters Group). Post allotment of CCDs ,these CCDs are convertible(in full) into equal equity shares of face value of Rs.10/- each, within 18 months of the issue.

9. Means of Communications:

A. Quarterly Results:

The financial results are regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Regulations requirements and are published in the newspapers. The financial results are also displayed on the Company's website i.e. <https://citadelrealty.in/>

B. Newspapers wherein results normally published:

The results of the Company are normally published in Business Standard (in English language) and Lokshakti (in Marathi language).

C. Website where the results are displayed: <https://citadelrealty.in/>

D. Whether the website also displays official news releases:

No official News Release are been made by the company during the Financial Year 2022-23.

E. Presentations made to institutional investors or to the analysts: (if any)

During the FY-2023, no presentations were made by the Company to institutional investors or to the analysts.

10. General Shareholder information:

The Company was incorporated on 26/07/1960, and registered in the State of Maharashtra, Mumbai having its Registered Office at Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400013 and Corporate office at 7th Floor, Marathon Max, Mulund-Goregaon Link Road, Mulund (W), Mumbai 400 080.

Corporate Identification Number (CIN) of the Company is L21010MH1960PLC011764

The Equity shares of the Company were listed on BSE Limited on 20th January 1961.

| | |
|---|--|
| A. Annual General Meeting | |
| - Date and Time | : Friday, September 22, 2023 at 3:00 p.m. |
| - Venue | : Through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) |
| B. Financial Year | : 1 st April, 2022 to 31 st March, 2023 |
| C. Dividend payment date, If any | : Nil |
| D. The name and address of Stock Exchange(s) at which the Company’s equity shares are listed and a confirmation about payment of annual listing fee to each of the stock exchanges | : BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 The Company has paid the listing fees to the Stock Exchanges within the prescribed time frame. |
| E. Security/Stock Code / Symbol | |
| ISIN | : INE906D01014 |
| Security/Stock Code for BSE | : 502445 |

F. The Market Price data during the year is given below:

| Month | BSE | |
|-----------------|------------------|-----------------|
| | High (in Rs.) | Low (in Rs.) |
| April, 2022 | 19.30 | 14.50 |
| May, 2022 | 18.40 | 13.30 |
| June, 2022 | 18.70 | 12.53 |
| July, 2022 | 16.95 | 14.10 |
| August, 2022 | 17.15 | 14.10 |
| September, 2022 | 18.10 | 15.10 |
| October, 2022 | 18.45 | 15.10 |
| November, 2022 | 23.80 | 14.30 |
| December, 2022 | 28.20 | 20.85 |
| January, 2023 | 25.50 | 21.15 |
| February, 2023 | 24.20 | 20.00 |
| March, 2023 | 23.01 | 18.25 |

G. In case the securities are suspended from trading, reason thereof:

Not applicable, since the securities of the Company have not been suspended from trading during the year.

H. Registrar and Share Transfer Agent (RTA) :

Bigshare Services Pvt. Ltd.
Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai - 400093
Website :www.bigshareonline.com

I. Share Transferee System:

Bigshare Services Pvt. Ltd is the Registrar and Share Transfer Agent of the Company. Transfer of physical shares are approved by the Board of Directors or the Stakeholders Relationship Committee which meets at opportune time and if the documents are complete and in order in all respects, the same are issued and the RTA will inform the transferee for the details of the demat account. If the demat is not available, the transferee is requested to open a new demat account and inform the details to the RTA. There upon the RTA will proceed to credit the shares to the concerned demat account.

K. Shareholding Pattern, etc
i. Distribution of Shareholding as on 31st March, 2023 :

| Shares range | No. of Shareholders | % of Shareholders | No. of Shares | % of total issued capital |
|---------------|---------------------|-------------------|----------------|---------------------------|
| 1 - 500 | 2920 | 78.49 | 417650 | 5.29 |
| 501 - 1000 | 461 | 12.39 | 354749 | 4.49 |
| 1001- 2000 | 171 | 4.60 | 253075 | 3.20 |
| 2001 - 3000 | 52 | 1.40 | 130285 | 1.65 |
| 3001 - 4000 | 24 | 0.65 | 87034 | 1.10 |
| 4001 - 5000 | 19 | 0.51 | 88139 | 1.11 |
| 5001 - 10000 | 39 | 1.05 | 261173 | 3.30 |
| 10001 & Above | 34 | 0.91 | 6300093 | 79.82 |
| Total | 3720 | 100.00 | 7892198 | 100.00 |

ii. Shareholding pattern as on 31st March, 2023 :

| Sr. No. | Category of Shareholder | No. of Shareholders | Total no. of Shares | Total Shareholding as a percentage of total no. of Shares |
|------------|---|---------------------|---------------------|---|
| (A) | Shareholding of Promoter and Promoter Group(A) | 4 | 51,24,962 | 64.94 |
| (B) | Public Shareholding | | | |
| (1) | Institutions | | | |
| (a) | Mutual Funds | 0 | 0 | 0 |
| (b) | Venture Capital Funds | 0 | 0 | 0 |
| (c) | Alternate Investment Funds | 0 | 0 | 0 |
| (d) | Foreign Venture Capital Investors | 0 | 0 | 0 |
| (e) | Foreign Portfolio Investor(Corporate) | 0 | 0 | 0 |
| (f) | Financial Institutions/ Banks | 6 | 2484 | 0.03 |
| (g) | Insurance Companies | 0 | 0 | 0 |
| (h) | Provident Funds / Pension Funds | 0 | 0 | 0 |
| | Sub Total (B) (1) | 6 | 2484 | 0.03 |

| | | | | |
|-----|---|-------------|----------------|--------------|
| (2) | Central Government/ State Government(s)/ President of India | 0 | 0 | 0 |
| | Sub Total (B) (2) | 0 | 0 | 0 |
| (3) | Non-Institutions | | | |
| (a) | Individuals | | | |
| | i. Individual shareholders holding nominal share capital upto Rs. 2 Lakhs | 3502 | 1668757 | 21.14 |
| | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs | 11 | 527691 | 6.69 |
| (b) | NBFC's registered with RBI | Nil | Nil | Nil |
| (c) | Employee Trusts | Nil | Nil | Nil |
| (d) | Overseas depositories (holding DRs) | Nil | Nil | Nil |
| (e) | Any other: | | | |
| | i. Hindu Undivided Family | Nil | Nil | Nil |
| | ii. NRI (Non-repatriate) | 20 | 9765 | 0.12 |
| | iii. NRI (Repatriate) | Nil | Nil | Nil |
| | iv. LLP | Nil | Nil | Nil |
| | v. Clearing Members | 10 | 71678 | 0.91 |
| | vi. Bodies Corporate | 29 | 15685 | 0.20 |
| | vii. HUF | 69 | 471176 | 5.97 |
| | Sub Total (B) (3) | 3641 | 2764752 | 35.03 |
| | Total Public Shareholding (B) =(B)(1) + (B)(2)+(B)(3) | 3647 | 2767236 | 35.06 |
| | Total (A) + (B) | 3651 | 7892198 | 100 |
| (C) | Non Promoter - Non Public | | | |
| (1) | Shares Underlying DRs | Nil | Nil | Nil |
| (2) | Shares Held By Employee Trust | Nil | Nil | Nil |
| | Grand Total (A)+(B)+(C) | 3651 | 7892198 | 100 |

The shareholding spread across various demat accounts are consolidated on the basis of Permanent Account Number pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2017/128 dated 19th December, 2017.

L. Dematerialization of shares:

The Company has signed agreements with National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) to offer depository services to its shareholders and has paid respective charges for the benefit of the Members.

Your Company confirms that the entire Promoters' holding is in dematerialized form and the same is in line with the directives issued by the Securities and Exchange Board of India.

The shares of your Company are regularly traded at the BSE Limited and hence have good liquidity.

Out of the total 78,92,198 equity shares of the Company, 73,69,380 equity shares representing 93.38 % are in dematerialized form. There is no shares in the Suspense Account.

M. Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

NIL

N. Commodity price risk or foreign exchange risk and hedging activities:

The Company's operation does not involve dealings in traded commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not applicable.

O. Plant Locations:

The Company is not in the business of manufacturing of goods and does not have a manufacturing plant.

P. Address for Correspondence:

Corporate office at 7th Floor, Marathon Max, Mulund-Goregaon Link Road, Mulund (W), Mumbai 400 080.

Q. During financial year 2022-23, the Company has not obtained any credit rating from rating agency.

11. Other Disclosures:

A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large: None

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: None

C. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or any instances of leak of unpublished price sensitive information or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism / Whistle Blower Policy are posted on the website of the Company and the weblink to the same is <https://citadelrealty.in/> No Director / employee has been denied access to the Audit Committee.

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

The Company constantly ensures compliance with all the mandatory requirements of the Listing Regulations. The status of compliances with the non-mandatory requirements specified in Part E of Schedule II have been included in this Report.

E. Weblink where policy for determining material subsidiaries is disclosed:

<https://citadelrealty.in/>

F. Weblink where policy on dealing with related party transactions is disclosed:

<https://citadelrealty.in/>

G. Disclosure of commodity price risks and commodity hedging activities:

Not applicable as the Company does not deal in the traded commodities.

H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not applicable as during the financial year 2022-23 the Company did not raise funds through preferential allotment or qualified institutional placement.

I. A certificate has been received from Mr. Nitin R Joshi, Practicing Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed herewith.

J. During the financial year 2022-23, there were no instances where the Board of Directors of the Company had not accepted any recommendation of any of its committee which is mandatorily required to be constituted.

K. Total fees for all services paid by the listed entity and its subsidiaries, if any, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Please refer to note no. 19 of notes to accounts.

L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year : NIL
- b. number of complaints disposed of during the financial year : NIL
- c. number of complaints pending as on end of the financial year: NIL

M. Disclosure of Loans and advances (in the nature of loans) given by the Company to any firms/companies, in which directors are interested:

As on 31st March, 2023, the Company has not given any Loans and advances (in the nature of loans) to any firms/companies, in which directors are interested, other than those mentioned under Related party transactions.

1) Discretionary requirements as specified in Part E of Schedule II of the Listing Regulations:**A. Shareholder Rights:**

The Company's financial results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results were not separately sent to the Members. The financial results of the Company are displayed on the website of the Company i.e. <https://citadelrealty.in/>

B. Modified opinion(s) in audit report:

The Audit Report for the FY-2023 is clean report without any modified opinions.

Details are mentioned in the "Statutory Auditors and Auditors' Report" paragraph in the Directors Report, forming part of the Annual Report.

C. Reporting of internal auditor

There has not been any operations during the FY 2022-23, hence the Internal Audit requirements was not warranted. Moreover, the Internal Audit, is undertaken regularly at Marathon Group level. Company wise appointment will be taken up from FY 2023-24.

2) The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

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

For and on behalf of the Board of Directors

Sundaram Ramamurthi

Director & CEO

DIN: 00135602

Nilesh Dhankumar Dand

Director & CFO

DIN: 00199785

Date : August 9, 2023

Place : Mumbai

Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certification

To
The Board of Directors
CITADEL REALTY AND DEVELOPERS LIMITED

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of The CITADEL REALTY AND DEVELOPERS LIMITED (“the Company”), to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2023 and to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company’s affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the financial year, which are fraudulent, illegal or violative of the Company’s code of conduct.
- (c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) No instances of fraud has been noticed.

Sundaram Ramamurthi
Director & CEO
DIN: 00135602

Nilesh Dhankumar Dand
Director & CFO
DIN: 00199785

Date : August 9, 2023
Place : Mumbai

**Compliance Certificate pursuant to Regulation 17(8) of the SEBI
(Listing Obligations & Disclosure Requirements) Regulations, 2015:**

To,
The Board of Directors,

We, undersigned in our capacity as the Chief Executive Officer and Chief Financial Officer of **CITADEL REALTY AND DEVELOPERS LIMITED** (“the Company”), to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and based on our knowledge and belief:
 - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company’s affair and are in compliance with the existing Accounting Standards, applicable Laws and Regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company’s Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls.

- d) We have indicated to the Auditors and Audit Committee:
- significant changes, if any, in the internal control over financial reporting during the year;
 - significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **CITADEL REALTY AND DEVELOPERS LIMITED**

Sundaram Ramamurthi
Director & CEO
DIN: 00135602

Nilesh Dhankumar Dand
Director & CFO
DIN: 00199785

Date : August 9, 2023
Place : Mumbai

Nitin R. Joshi
B.COM. LL.B., D.C.E.C., F.C.S.
COMPANY SECRETARY
(Peer Reviewed Firm)

415, Marathon Max, Next to Udyog Kshetra, Jn. of L.B.S. Marg & Goregoan Link Road,
Mulund (W), Mumbai-400 080. E-mail: n_r_joshi@yahoo.com Tel. 2562 5660/61 Cell 98201 29178.

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
The Citadel Realty & Developers Limited.
Marathon Futurex,
N.M.Joshi Marg,
Lower Parel, Mumbai 400 013.

I have examined the compliance of the conditions of Corporate Governance by Citadel Realty & Developers Limited ('the Company') for the year ended on March 31, 2023, as stipulated in the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 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, as applicable.

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.

(**NITIN R. JOSHI**)
FCS : 3137 PCS : 1884
UDIN : F003137E000771190

Date : August 9, 2023
Place : Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
The Citadel Realty & Developers Limited.
Marathon Futurex,
N.M.Joshi Marg,
Lower Parel, Mumbai 400 013.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CITADEL REALTY AND DEVELOPERS LIMITED having CIN L21010MH1960PLC011764 and having registered office at MARATHON FUTUREX, N.M. JOSHI MARG LOWER PAREL WEST MUMBAI - 400013 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|----------------------------------|------------|--------------------------------|
| 1 | Chetan Ramniklal Shah | 00135296 | 14/01/2010 |
| 2 | Sonal Mayur Shah | ,M00199734 | 25/03/2015 |
| 3 | Sundaryaam Ramamurthi | 00135602 | 29/03/2007 |
| 4 | Nilesh Dhankumar Dand | 00199785 | 29/03/2007 |
| 5 | Veeraraghavan Ranganathan | 00269682 | 07/02/2014 |
| 6 | Devendra Jashwantraai Shrimanker | 00385083 | 29/05/2017 |

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

(NITIN R. JOSHI)
FCS : 3137 PCS : 1884
UDIN : F003137E000360450

Date : May 23, 2023
Place : Mumbai

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management of the Company is pleased to present this report covering the activities of the Company during the year ended on March 31, 2023.

GLOBAL ECONOMY OVERVIEW

The global economic growth was estimated at a slower 3.4% in 2022, compared to 6.3% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower. Global FDI inflows declined 12% to nearly USD 1.28 Trn in 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023). (Source: OECD, WTO data) The S&P GSCI TR (Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realizations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil. Outlook The global economy is expected to grow 2.8% in 2023. Concurrently, global inflation is projected to fall marginally to 6.6%.

Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK and South Korea are not in a recession. ~70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession and significant developments, including China's progressive departure from its strict zero covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.3% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth. (Source: IMF). Regional growth (%) 2022 2021 World output 3.4 6.3 Advanced economies 2.7 5.4 Emerging and developing economies 4.0 6.9 Source: IMF Performance of major economies United States Reported GDP growth of 2.1% in 2022 compared to 5.9% in 2021 China GDP growth was 3% in 2022 compared to 8.4% in 2021 United Kingdom GDP grew by 4.1% in 2022 compared to 7.6% in 2021 Japan GDP grew 1.1% in 2022 compared to 2.1% in 2021 Germany GDP grew 1.8% in 2022 compared to 2.6% in 2021 Source: PWC report, EY report, IMF data, OECD data 52

INDIAN ECONOMY OVERVIEW

Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. Demonstrating resilience, India's economic growth was 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth largest global economy. (Source: IMF, World Bank)

Growth of the Indian economy quarter by quarter, FY 2022-23 Q1 FY 2022-23 Q2 FY 2022-23 Q3 FY 2022-23 Q4 FY 2022-23 Real GDP growth (%) 13.1 6.2 4.5 6.1 (Source: Budget FY24; Economy Projections, RBI projections) According to the India Meteorological Department, the FY 2022-23 delivered 8% higher rainfall over the long-period average.

THE GLOBAL LANDSCAPE FAVOURS INDIA

Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's and America and Europe are experiencing highest inflation in years. India's production-linked incentive appears to catalyze the downstream sectors. Inflation is moderating. India is at the cusp of making significant investments in various sectors and emerge as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. Broad-based credit growth, improving capacity utilization, government's thrust on capital spending and infrastructure should bolster investment activity. According to economic surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions and slowing external demand. (Source: IMF data, RBI data, Union budget 2023-24 data, CRISIL report, Ministry of Trade & Commerce, NSO data)

UNION BUDGET FY 2023-24 PROVISIONS

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to H10 Lakh Crore, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM Gati Shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

INDIAN REAL ESTATE SECTOR REVIEW

The Indian real estate industry is the third-largest contributor to the economy and expected to contribute 13% of India's GDP by 2025. The Indian housing market persisted with its bullish trend throughout FY 2022-23. Despite encountering a higher benchmark interest rate by the RBI to tame inflation, the market remained resilient and displayed buoyancy. Robust housing sales numbers were achieved by the top eight cities in India, with ~3.13 Lakh units sold in FY 2022-23 compared to 2.39 Lakh units in FY 2021-22, marking a growth of ~31%.

The Indian real estate market grew to USD 256.8 Bn in 2022. The market anticipates sustained growth to USD 780.6 Bn by 2028. The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to 10 Lakh Crore, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM Gati Shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments.

OPPORTUNITIES & THREATS

OPPORTUNITIES:

Getting permission for construction of building in general has been a very lengthy and cumbersome process. It normally used to take months together to get the building plan sanctioned. India has improved considerably on this dampening aspect of ease of doing business. From as poor as 184th ranking in 2014, the ranking had gone high at 27th rank in 2019 when the last ranking was made by the World bank. Several steps have been taken in India over the years to reduce procedures and time involved in obtaining construction permission.

Some of the initiatives are:

- (i) On line Building Permission System (OBPS) which is on line Single window for obtaining all building permission has been introduced in Mumbai and Delhi Regions.
- (ii) The BMC has introduced the fast-track approval system for issuing building permits with features such as common Application Form (CAF) provision using Digital Signature and on-line scrutiny of building plans.
- (iii) The time line for issuing building permission has been reduced from 128 days to 98 days as per the reports of Doing Business 2018 and 2020 reports.
- (iv) Total no. of procedures is reduced to 19 in Mumbai.
- (v) Cost of obtaining construction permission has been reduced from 23% to 5.4% of economy's per capita income.

Also, the pandemic imparted to the sector, is embracing the digital mediums. In fact, if not for those, it would have been nearly impossible for the sector to see any sales, whatsoever. "The year saw a growing thrust towards digitization and technology adoption, chronicling a new era in the industry. There has been a significant rise in digital launches, virtual property events, online listing and viewing, data analytics, cloud-based services and much more.

Digitalization - SRA is planning to boost transparency by digitalization its systems so that the redevelopment process— from a developer applying for a scheme to the allotment of tenements to eligible slum dwellers — can be tracked online. A web portal for "citizen centric processes all details pertaining to the allotment in SRA".

The recent lockdown with the Co-vid 19 pandemic forced the sector of real estate companies to focus much on digital marketing and online platforms. It's good news for slum dwellers as the state government is now all set to give them bigger homes measuring 315-322 square feet area from the current 269 square feet area.

Affordable House Segment: Affordable housing has emerged as the most preferred segment with respect to the amenities offered at reasonable prices. It is also gaining interest from investors, especially in metros. This segment is likely to continue getting this boost, if infrastructure developments around the project are being completed timely. "The Company is into development of affordable housing segment under SRA scheme, in the midst outbreak of Co-vid 19, Company have received good response in Affordable houses as people have realised the importance of owning a home and that this feeling is going to persist.

CHALLENGES:

Despite FY: 2022-23 been a challenging year, the growth in residential real estate has been more than 15 to 20 per cent and even the home loan segment has grown. That's a huge outlook from the financial sector as well because they are supporting the housing sector. Overall, there is an increase in demand for homes across the board but an interesting bit is that the demand in premium segment has been higher than the affordable housing segment.

If one looks at the Foreign Direct Investment (FDI) coming to India, it's mostly going towards commercial real estate, and not towards residential rental housing. This is mainly because the returns in case of commercial real estate are higher as compared to residential rentals.

According to an industry report, the top 7 prime residential markets in India recorded the highest sales during the first half of the financial year 2022-23 as compared to the last 10 years. The growing awareness of home ownership and the government's favorable affordable housing schemes has led to significant growth in the affordable housing segment.

With people realizing the long-term potential of owning a house, v/s renting led to sustainable growth in the segment. An increase in earning potential, a need for a better standard of living and the growing base of aspirational consumers and their lifestyle changes have led to substantial growth in the sector. With suited economic growth, the premium housing segment will also witness higher demand in the years to come. Reforms in stamp duty, the introduction of affordable rental housing complexes and government-aided schemes will boost this asset class while providing relief to the many who do not have access to it.

Year 2023 should be an exciting year; though we anticipate further downward trends in the global economy, this, however, should be an opportunity for the Indian economy to become world leaders.

The real estate sector is going to continue on its journey of long term growth as we see a continuous rise in GDP per capita, larger disposable incomes, growing urbanization and most of all a larger focus of the world on us as the next big economy.”

“India’s strong growth potential shall lead to high demand in offices and commercial space in Tier 1 and Tier 2 cities. We are seeing this materialize in the rapid commercial growth in Pune, Hyderabad etc. The rising star, the coworking industry, has successfully adapted to changing work requirements and will continue to service the needs of young growing India. The co-working sector in India is expected to cross 50 million sq ft by the end of the year 2023 which would be a YOY 15% increase. Managed Office spaces shall continue growing at 10% in 2023. According to a recent JLL report, the net absorption of office space in 2022 across the top seven cities (Mumbai, Delhi-NCR, Bengaluru, Hyderabad, Chennai, Kolkata and Pune) has been 38.25 million sq ft.”

The scope of real estate in 2023 - the momentum on the residential side to be steady in most markets, office providers to have a similar year, while Retail, Hospitality and Industrial Real Estate will continue having strong momentum. Due to the new RBI regulations, where NBFCs are disallowed for early-stage RE investing, we expect there to be a significant amount of capital required to fuel the supply, especially on the residential side. AIFs and HNI investors are two pockets that could fund this growth.”

“The RBI’s monetary policy is a testament to the country’s commitment to financial stability and economic growth. The focus on maintaining inflation in check while supporting the growth of the sector is commendable. The increased repo rate could impact residential sales to some extent, particularly in the affordable segment but in mid-term, it will have no impact. The increase in cost of borrowing will have a direct impact on home buyers, leading to higher EMI’s and decreased affordability. It is important to understand the impact of this policy on the market and advise clients accordingly. While the hike may increase the cost of borrowing, it also reflects the central bank’s efforts to control inflation and maintain stability in the economy. The real estate market will continue to be driven by various other factors such as supply and demand, regulatory framework, and overall economic conditions.

In an initial indication of easing of the interest rate scenario, larger banks have started cutting rates on short term FDs of up to 3 years driven by better systemic liquidity conditions and softer short term money market rates.

As a result it is expected that the interest rates could remain at the current levels for some time.

The Finance Minister has announced “Green Growth” as one of the priorities of the last budget. Organizations already working on the concept of green, sustainable living in India are already moving towards sustainability and this move will help to achieve their goals more efficiently. PMAY allocation of ₹ 79,000 crore is also a good approach for affordable housing.

Further, the following factors pose challenges to the Company.

- Challenges with Regulatory environment
- Increased cost of manpower and critical inputs
- Delays in project approvals

COMPANY STRENGTHS:

Your Company continues to capitalize on the market opportunities by leveraging its key strengths. These include

1. **Brand Reputation:** With more than 5 decades in business, the Brand “Marathon” enjoys higher recall and influences the buying decision of the customer.
2. **Execution:** Possesses a successful track record of quality execution of projects with contemporary architecture.
3. **Significant leveraging opportunity:** Conservative approach towards debt practices coupled with enough cash balance which provides a significant leveraging opportunity for further expansions.
4. **In-house design:** Operates, mainly with in-house highly skilled design team capable of modeling state of the art design for its Projects. The Company has also a model of appointing some of renowned architects / contractors that allows scalability and emphasizes contemporary design and quality construction – a key factor of success.
5. **Transparency:** Follows a strong culture of corporate governance and ensures transparency and high levels of business ethics.
6. **Digitalization:** Company has already forayed into the new age customer experiences. As it will be a buyers’ market for now and empowering the customers to enable decision making will be the best interest of the real estate stake holders. Tools that stimulates the product digitally, enables online decision making facilities easy transactions hand –in- hand curated and secure sampling at the physical site.

THREATS

The real estate industry is often affected by changes in government policies and regulations. There are considerable procedural delays with respect to approvals related to acquisition and use of land. Unfavorable changes in the government policies and the regulatory environment may adversely impact the performance of the Company. Some of the challenges in Real Estate sector are listed below:

1. SRA projects are already have huge documentation process.
2. The slowdown in project execution activity, are expected to limit the overall decline in net cash flows.
3. A single window clearance mechanism for approvals would go a long way in minimizing the time schedule for completing projects.

OUTLOOK

The economy shows strength, marked by an increase in rural growth during the last quarter and an appreciable decline in consumer price index inflation to around 5% in April 2023. India is expected to grow around 6-6.5% (as per various sources) in FY 2023- 24, catalyzed in no small measure by the government's 35% capital expenditure.

The growth is expected to be driven by broad-based credit expansion, better capacity utilisation and reducing trade deficit. Headline and core inflation are expected to trend down and private sector investments are poised to revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive.

This can benefit India's exports in general, benefiting several sectors. The construction of national highways in FY 2022-23 was 10,993 Km; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year.

RISKS AND CONCERNS

Apart from the increase in land prices, inputs costs have also been constantly increasing. Higher interest cost would dent margins and may have a direct effect on the customer's cash flow as well. Increase in end product prices coupled with tight liquidity may impact demand. The various taxes and levies would add to the costs and this is likely to squeeze margins as end product prices may not go up correspondingly.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control commensurate with the activities is supplemented by continuous review by the management. The internal control system is designed to ensure that every aspect of the company's activity is properly monitored.

DISCUSSION ON FINANCIAL PERFORMANCE

The Company's financial performance for the year under review along with previous year's figures are given here under:

(Amount in lakh except EPS')

| Particulars | STANDALONE | | CONSOLIDATED | |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | For the year ended 31-03-2023 | For the year ended 31-03-2022 | For the year ended 31-03-2023 | For the year ended 31-03-2022 |
| Revenue from Operations | 282.34 | 251.82 | 282.34 | 251.82 |
| Other income | 3.36 | 1.06 | - | - |
| Total Revenue | 285.70 | 252.88 | 282.34 | 251.82 |
| Expenses | 27.54 | 21.69 | 27.54 | 21.69 |
| EBITDA | 258.16 | 231.19 | 254.80 | 230.13 |
| Depreciation and Amortization | - | - | - | - |
| EBIT | 258.16 | 231.19 | 254.80 | 230.13 |
| Interest and Finance charge | 118.42 | 174.20 | 118.42 | 174.20 |
| Earning Before Tax (EBT) | 139.74 | 56.99 | 136.38 | 55.93 |
| Less: Taxation: | | | | |
| - Current Tax | 9.86 | - | 9.86 | - |
| - Deferred Tax | 27.23 | 16.71 | 27.23 | 16.71 |
| - Total tax expense from continuing operations | 37.09 | 16.71 | 37.09 | - |
| Profit/Loss After Tax | 102.65 | 40.28 | 99.29 | 39.22 |
| Share in the Profit of the Firm | - | - | 3.01 | 4.13 |
| Net profit for the period | 102.65 | 40.28 | 102.30 | 43.35 |
| Earning Per Share(Rs.) | 1.30 | 0.51 | 1.30 | 0.55 |
| Diluted Per Share(Rs.) | 1.30 | 0.51 | 1.30 | 0.55 |

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES**Employee Engagement and Talent:**

It is the people that make an organization. With the centralized human resources department at Group Level being the custodian of all people related processes, it becomes the critical success factor in organizational success. The HR works with an objective of aligning the aspirational needs of the people with the organizational objectives of sustained growth, market leadership and cost competitiveness. Its sole aim is to build “**Marathon Group**” as an exemplary organization that inspires excellence every day.

Having a great brand and great people have always been our asset. We can achieve sustainable, profitable growth only when we engage and empower employees to the best they can be. Our constant endeavor is to work towards making an organization that is simple, diverse and agile which will move fast and innovate better.

Our employees are customer-centric as well as future ready and are able to compete in a fast-changing world characterized by digitization and increased competition. Our employees are empowered to act like entrepreneurs and business owners. We have been the ‘Employer of Choice’ in our industry for many years. We have created an environment where our people get significant responsibilities early in their careers. We consider people as our biggest asset and we have put concerted efforts in talent management practices and in learning and training initiatives to ensure that we consistently develop an inspiring, strong and credible leadership. We ensure that young talent is nurtured and mentored on a regular basis, that rewards and recognition are commensurate with their performance and that employees have an opportunity to develop and grow. We have an organizational structure that is agile and focused on delivering business results. With regular communication and sustained efforts, we ensure that we align our employees with Marathon Group overall objectives.

We strongly believe in fostering a culture of trust and mutual respect in all our employees and ensuring that they understand and follow our values and principles. We have been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all areas and efficient utilization of our resources for sustainable and profitable growth.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

| Significant Changes in Key Financial Ratios | Formula | Ratios |
|---|---|--------|
| Debtors Turnover | Net Credit Sales/Avg Accounts Receivables | - |
| Inventory Turnover | Sales/Avg Inventory | - |
| Interest Coverage Ratio | Interest Exps/EBIT | - |
| Current Ratio | Current Assets/Current Liabilities | 2.10 |
| Debt Equity Ratio | Debt/Equity | 1.25 |
| Operating Profit Margin | Operating Profit/Operating Revenue | 0.91 |
| Net Profit Ratio (%) | Net Profit / Total Income | 0.36 |

DISCLOSURE OF ACCOUNTING TREATMENT

The guidelines / accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under section 133 of the Companies Act, 2013, have been followed in preparation of the financial statements of the Company.

Cautionary Statement:

Statements in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent development.

INDEPENDENT AUDITORS' REPORT

To
The Members of Citadel Realty and Developers Limited

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

We have audited the accompanying Financial Statements of CITADEL REALTY AND DEVELOPERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of profit and loss (Including Other Comprehensive Income), Statement of changes in equity and Statement of Cash Flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Loss including Other Comprehensive Income, Statement of changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on key matters.

1. The assessment of recoverable amount of the Company's investment in and loans receivable from Associates involves significant judgment in respect of assumptions such as discount rates, current work in hand, future contract wins/ future business plan and the recoverability of certain receivables as well as economic assumption such as growth rate.

Auditor's responds:-

Our procedures included the following:

- Evaluated the net worth and past performance of the Company to whom loans given or investments made. Compared the carrying amount of the investment with the expected value of the business

Other Information

The Company's Board of Directors are responsible for the Preparation of other information. The other information comprises of the information included in the Board's Report including Annexures to Board's report but does not include the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have been informed that other information will be adopted by the Board of Directors at a later date and we will report, if other information so adopted is materially inconsistent with the financial statements.

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

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting

principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 as amended, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. During the year no director remuneration is paid or provided by the Company and hence reporting as required under Section 197(16) of the Act is not made.

3. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
 - (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, in our opinion and to the best of our information and according to the explanations given to us :
 - 1. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 39 to the standalone financial statements;
 - 2. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
 - 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - 4.
 - (a) The Management has represented to us that, to the best of it’s 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 to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented to us that, to the best of it’s 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 from any person(s) or entity(ies), 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.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representation given by the Management under paragraph (3) (g) (iv) (a) and (b) above contain any material misstatement.
5. The Company has not declared or paid any dividend during the current period.

For Bipin B. Shah & Co.

Firm Registration Number: 101511W

Chartered Accountants

Bipin B. Shah

Proprietor

Membership No. 013191

UDIN:- 23013191BGZHAC5468

Place:- Mumbai

Date :- April 19, 2023

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF CITADEL REALTY & DEVELOPERS LIMITED

(Referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date)

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

- i. a. In respect of its Property, Plant and Equipment:
 1. The Company does not have Property, Plants and equipments. Hence, reporting under this clause is not required.
- b. The Company has no immovable assets and hence reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- ii. a. The inventory includes construction work in progress accordingly the requirements under paragraph 3(ii) of the Order is not applicable for construction work in progress.
- b. At any point of time during the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- iii. According to the information and explanations given to us, during the year the Company has neither made investments in, or provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties covered and hence reporting under clause 3(iii)(a) to clause 3 (iii)(d) of the Order are not applicable to the Company.
 - a. According to the information and explanations given to us, the Company had not granted any loan or advance in the nature of loan which has fallen due for repayment during the year and has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.
 - b. The Company has not granted any loans during the year, which is either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3 (iii)(f) of the Order is not applicable
- iv. According to the information and explanations given to us, the Company has not directly or indirectly advanced any loan to the person or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. The Company has not made any loans, guarantees and securities and investments anytime during the year hence the provisions of the Section 186 are not applicable. Therefore, reporting under 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, reporting under the clause 3(v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the requirement of maintenance of cost records as per section 148(1) of the Companies Act,2013 is not required.
- vii. In respect of Statutory dues:
 - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at 31st March, 2023 for a period of more than six months from the date of becoming payable.
 - b. The following statutory dues referred in sub-clause (a) above which have not been deposited with appropriate authorities on account of disputes as on 31st March, 2023.

| Name of the Statute | Nature of dues | Amount (₹. In Lakhs) | Financial Year to which the amount relates | Forum where dispute is pending |
|---------------------------------------|---------------------------|-------------------------|--|---|
| Maharashtra Value Added Tax Act, 2002 | VAT, Interest and Penalty | 2,39,28,264 | 2012-13 | Dy. Commissioner of Sales Tax, Appeal (III) |

- viii.** The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix.**
- a. In our opinion and according to the information given to us, the Company has not raised any loans from financial institutions or banks or government; and has not defaulted in repayment of Inter Company loan taken from Holding Company, Associates or in the payment of interest thereon.
 - b. The Company has not been declared wilful defaulter by any bank or financial institution or Government or Government authority.
 - c. Term loans were applied for the purpose for which the loans were obtained.
 - d. The Company has not raised on any funds during the year on short term basis and therefore reporting under clause 3(ix)of the Order is not applicable to the Company.
 - e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures during the year and hence clause 3 (ix) (e) of the order is not applicable to the Company.
 - f. The Company does not have any subsidiaries and joint ventures hence the question of raising loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise and hence reporting under clause 3 (ix)(f) of the order is not applicable to the Company.
- x.**
- a. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3 (x) of the order is not applicable to the Company.
 - b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi.**
- a. In our opinion, based on the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
 - b. No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report
 - c. The establishment of Whistle blower mechanism is not mandatory to the Company and hence reporting under clause 3 (xi)(c) of the Order is not applicable to the Company.
- xii.** In our opinion Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii.** According to information and explanations provided by the management, transactions with related parties are in compliance with section 177 and 188 of the Act, were applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- xiv.** The Company is not required to have an internal audit system as per provisions of the Companies Act 2013 and hence reporting under clause 3(xiv)(a) and 3(xiv)(b) of the Order is not applicable to the Company.
- xv.** In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act and hence reporting under clause 3 (xv) of the Order is not applicable to the Company.
- xvi.**
- a. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3 (xvi)(a) of the Order is not applicable to the Company.
 - b. In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year under review and hence reporting requirement under clause 3(xvi)(b) of the Order is not applicable to the Company.
 - c. In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India and hence, reporting requirements under clause 3(xvi) (c) of the Order are not applicable to the Company and, not commented upon.

- d. The Group does not have any CIC as part of the group and hence reporting under clause 3(xvi)(d) of the Order is not applicable
- xvii.** According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not incurred cash losses.
- xviii.** There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause 3(xviii) of the Order is not applicable.
- xix.** On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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.** The Section 135 of the Act is not applicable to the Company for the year. Hence, reporting under this clause is not applicable.
- xxi.** The Company does not have any investment in subsidiary, Associates Company or joint venture Companies to whom the Companies Audit Report Order 2020(CARO) is applicable and hence reporting under clause 3(xxi) of the Order is not applicable.

For Bipin B. Shah & Co.

Firm Registration Number: 101511W
Chartered Accountants

Bipin B. Shah

Proprietor

Membership No. 013191

UDIN:- 23013191BGZHAC5468

Place:- Mumbai

Date :- April 19, 2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF CITADEL REALTY & DEVELOPERS LIMITED

(Referred to in paragraph 3 (f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the Internal Financial Control over financial reporting of **CITADEL REALTY & DEVELOPERS LIMITED** (“the company”) as of 31st March, 2023 in conjunction with our audit of the Financial Statements of the Company for the period then ended.

Management Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bipin B. Shah & Co.

Firm Registration Number: 101511W
Chartered Accountants

Bipin B. Shah

Proprietor

Membership No. 013191

UDIN:- 23013191BGZHAC5468

Place:- Mumbai

Date :- April 19, 2023

Standalone Balance Sheet as at 31st March 2023

(Rs. in Lakhs)

| Particulars | Note No. | As at 31 st March 2023 | As at 31 st March 2022 |
|---|----------|-----------------------------------|-----------------------------------|
| ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Financial Assets | | | |
| (i) Investments | 2 | 75.75 | 72.39 |
| (b) Deferred Tax Assets (Net) | 3 | 168.87 | 186.31 |
| Total Non - Current Assets | | 244.62 | 258.70 |
| 2 Current assets | | | |
| (a) Inventories | 4 | 270.28 | 270.28 |
| (b) Financial Assets | | | |
| (i) Cash and Cash Equivalents | 5 | 9.01 | 0.75 |
| (ii) Bank Balance other than (i) above | 6 | 5.25 | 5.25 |
| (iii) Loans | 7 | 2,635.20 | 2,350.29 |
| (c) Other Current Assets | 8 | 10.34 | 14.49 |
| Total Current Assets | | 2,930.08 | 2,641.06 |
| Total Assets (1+2) | | 3,174.70 | 2,899.76 |
| EQUITY AND LIABILITIES | | | |
| 1 EQUITY | | | |
| (a) Equity Share Capital | 9 | 789.22 | 789.22 |
| (b) Other Equity | 10 | 298.70 | 196.05 |
| Total Equity | | 1,087.92 | 985.27 |
| LIABILITIES | | | |
| 2 Non Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Other Financial Liabilities | 11 | 10.00 | 10.00 |
| (b) Other Current Liabilities | 12 | 681.59 | - |
| Total Non Current Liabilities | | 691.59 | 10.00 |
| 3 Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 13 | 1,358.15 | 1,877.54 |
| (ii) Other Financial Liabilities | 14 | 5.25 | 5.25 |
| (b) Current Tax Liabilities (Net) | 15 | 17.73 | 0.05 |
| (c) Other Current Liabilities | 16 | 14.06 | 21.65 |
| Total Current Liabilities | | 1,395.19 | 1,904.49 |
| Total Equity and Liabilities (1+2+3) | | 3,174.70 | 2,899.76 |
| See accompanying notes forming part of the standalone financial statements. | | | |

In terms of our report attached
For Bipin B. Shah & Co.
Chartered Accountants
(Firm's Registration No. 101511W)

Bipin B. Shah
Proprietor
Membership No. 013191

Place :- Mumbai
Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan
Chairman
(DIN:- 00269682)

Nilesh Dand
Director & CFO
(DIN:- 00199785)

Place :- Mumbai
Date :- 19th April, 2023

S. Ramamurthi
Director & CEO
(DIN:- 00135602)

Kiran Bangera
Company Secretary
(ACS:- 62214)

Standalone Statement of Profit and Loss for the period ended 31st March 2023

(Rs. in Lakhs except Earnings Per Share)

| Particulars | Note No. | For the year ended 31 st March 2023 | For the year ended 31 st March 2022 |
|--|------------|--|--|
| I Revenue from operations | 17 | 282.34 | 251.82 |
| II Other Income | 18 | 3.36 | 1.06 |
| III Total Revenue (I + II) | | 285.70 | 252.88 |
| IV EXPENSES | | | |
| (a) Cost of construction/development, land, plots and development rights | | - | - |
| (b) Change in inventory | 19 | - | - |
| (c) Finance cost | 20 | 118.42 | 174.20 |
| (d) Other expenses | 21 | 27.54 | 21.69 |
| V Total Expenses (IV) | | 145.96 | 195.89 |
| VI Profit before tax from continuing operations (III - V) | | 139.74 | 56.99 |
| VII Tax Expense | | | |
| (1) Current tax | 22a | 9.86 | - |
| (2) Deferred tax | 22b | 27.23 | 16.71 |
| VIII Total tax expense from continuing operations (VII) | | 37.09 | 16.71 |
| IX Profit after tax (VI - VII) | | 102.65 | 40.28 |
| X Other comprehensive income | | - | - |
| XI Total Other Comprehensive Income for the year (X) | | - | - |
| XII Total Comprehensive income for the year (IX + XI) | | 102.65 | 40.28 |
| XIII Earnings per equity share (Face Value Rs. 10) | | | |
| (1) Basic | 23 | 1.30 | 0.51 |
| (2) Diluted | 23 | 1.30 | 0.51 |

See accompanying notes forming part of the standalone financial statements.

In terms of our report attached
For Bipin B. Shah & Co.
 Chartered Accountants
 (Firm's Registration No. 101511W)

Bipin B. Shah
 Proprietor
 Membership No. 013191

Place :- Mumbai
 Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan
 Chairman
 (DIN:- 00269682)

S. Ramamurthi
 Director & CEO
 (DIN:- 00135602)

Nilesh Dand
 Director & CFO
 (DIN:- 00199785)

Kiran Bangera
 Company Secretary
 (ACS:- 62214)

Place :- Mumbai
 Date :- 19th April, 2023

Standalone Cash Flow Statement for the year ended 31st March 2023

(Rs. in Lakhs)

| Particulars | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|--|---|---|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax: | 139.74 | 56.99 |
| <u>Adjustment for:</u> | | |
| Finance Cost | 118.42 | 174.20 |
| Interest Income | (282.34) | (251.82) |
| Operating profit before Working Capital changes | (24.18) | (20.63) |
| <u>Adjustments for changes in Working capital</u> | | |
| Increase/(Decrease) in Other Non Current and Current Assets | 4.15 | (0.07) |
| (Increase)/Decrease in Other Non Current and Current Liabilities | (7.59) | 2.64 |
| (Increase)/Decrease in Other Financial Non Current and Current Liabilities | - | - |
| Cash generated from/ (used in) operations | (27.62) | (18.06) |
| Income taxes (paid) | (1.97) | (16.23) |
| Net Cash from / (used in) operating activities | (29.59) | (34.29) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Share of profit from Firm | (3.36) | (1.06) |
| Other Bank Balances | - | - |
| Interest Income | 282.34 | 251.82 |
| Net Cash from/(used in) investing activities | 278.98 | 250.76 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceed /(Repayment) of Long term and short term borrowings | 162.20 | 209.56 |
| Finance cost paid | (118.42) | (174.20) |
| Proceed /(Repayment) of Long term and short term Loan | (284.91) | (251.82) |
| Net Cash from/(used in) financing activities | (241.13) | (216.46) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | 8.26 | 0.01 |
| Cash and Cash Equivalents (Opening balance) | 0.75 | 0.74 |
| Cash and Cash Equivalents (Closing balance) | 9.01 | 0.75 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | 8.26 | 0.01 |

(Rs. in Lakhs)

| Component of Cash & Cash Equivalent | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|-------------------------------------|---|---|
| Cash in hand | 0.14 | 0.27 |
| Balance With Bank | 8.87 | 0.48 |
| | 9.01 | 0.75 |

Note A:- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Statement of Cash Flows"

Note B:- Previous year's figures have been regrouped /reclassified wherever necessary to corresponds with the current year's classification / disclosures.

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

In terms of our report attached

For Bipin B. Shah & Co.

Chartered Accountants

(Firm's Registration No. 101511W)

Bipin B. Shah

Proprietor

Membership No. 013191

Place :- Mumbai

Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan

Chairman

(DIN:- 00269682)

S. Ramamurthi

Director & CEO

(DIN:- 00135602)

Nilesh Dand

Director & CFO

(DIN:- 00199785)

Kiran Bangera

Company Secretary

(ACS:- 62214)

Place :- Mumbai

Date :- 19th April, 2023

Standalone Statement of Changes in Equity

a) Equity Share Capital

(Rs. in Lakhs)

| Particulars | No. of Shares | Amount |
|-------------------------------------|------------------|---------------|
| Balance As at March 31, 2021 | 78,92,198 | 789.22 |
| Change for the year | - | - |
| Balance As at March 31, 2022 | 78,92,198 | 789.22 |
| Change for the year | - | - |
| Balance As at March 31, 2023 | 78,92,198 | 789.22 |

b) Other Equity

For FY 2021-22

(Rs. in Lakhs)

| Particulars | Securities Premium Account | Retained Earnings | Total other Equity |
|--|----------------------------|-------------------|--------------------|
| i. Balance as at April 1, 2021 | 332.19 | (176.42) | 155.77 |
| ii. Profit for the Year | - | 40.28 | 40.28 |
| iii. Remeasurement of defined benefit plan (net of deferred tax) | - | - | - |
| Balance as at March 31, 2022 | 332.19 | (136.14) | 196.05 |

For FY 2022-23

(Rs. in Lakhs)

| Particulars | Securities Premium Account | Retained Earnings | Total other Equity |
|--|----------------------------|-------------------|--------------------|
| i. Balance as at April 1, 2022 | 332.19 | (136.14) | 196.05 |
| ii. Profit for the Year | - | 102.65 | 102.65 |
| iii. Remeasurement of defined benefit plan (net of deferred tax) | - | - | - |
| Balance as at March 31, 2023 | 332.19 | (33.49) | 298.70 |

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

In terms of our report attached

For Bipin B. Shah & Co.

Chartered Accountants

(Firm's Registration No. 101511W)

Bipin B. Shah

Proprietor

Membership No. 013191

Place :- Mumbai

Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan

Chairman

(DIN:- 00269682)

S. Ramamurthi

Director & CEO

(DIN:- 00135602)

Nilesh Dand

Director & CFO

(DIN:- 00199785)

Kiran Bangera

Company Secretary

(ACS:- 62214)

Place :- Mumbai

Date :- 19th April, 2023

Notes forming part of the standalone financial statements**Note 1:- Corporate Information:-**

Citadel Realty & Developers Limited (“the Company”) formerly known as Rohit Pulp & Papers Mills Ltd is a Company registered under the Companies Act, 1956. The Company is a public limited company incorporated and domiciled in India and has its registered office at Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013.

The equity shares of the Company are listed on Bombay Stock Exchange of India Limited (BSE). The Company is registered with the Ministry of Corporate Affairs under CIN L21010MH1960PLC011764.

The Company is primarily engaged in the business of construction, development and sale of residential real estate projects. The core business activities are carried out under various business model like own development, through joint ventures and joint development and other arrangements with third parties.

A. Basis of preparation and measurement :-**(a) Statement of Compliance :**

These Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 (“the 2013 Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The Standalone Financial Statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

These standalone financial statements were authorised for issue by the Company’s Board of Directors on 19 April, 2023.

(b) Functional and presentation currency :

These standalone financial statements are presented in Indian rupees (INR), which is the Company’s functional currency. All financial information have been presented in Indian rupees (INR) all amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

(c) Basis of measurement :

The standalone financial statements have been prepared on a historical cost basis, except for the following:

certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value; and defined benefit plans - plan assets measured at fair value

(d) Use of estimates and judgments :

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

The areas involving critical estimates and judgments are:

(i) Estimation of total cost of construction of Project

(ii) Estimation of useful life of property, plant and equipment and intangibles

(iii) Estimation of recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used

(iv) Impairment of financial assets (i.e. expected credit loss on trade receivables and retention money receivable)

(v) Estimation on discounting of retention money payable

(e) Measurement of fair values :

The Company’s accounting policies and disclosures require the measurement of fair values, for financial instruments:-

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

B. Significant accounting policies :-

1. Lease:-

Operating Lease

As a lessee:-

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

Company as a lessee

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

i) Right-of-use assets:-

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date of underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

ii) Lease Liabilities:-

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

iii) Short-term leases and leases of low-value assets :-

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

2. Cash and Cash Equivalents :-

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

3. Inventories :-

Inventories of Finished Goods and Property under development are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition and borrowing cost incurred related to project. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

4. Investments in subsidiaries, joint ventures and associates :-

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

5. Investments and other financial asset :-

(a) Classification :-

The Company classifies its financial assets in the following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) Those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

(i) Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

- (1) 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. Interest income from these financial assets is included in other income using the effective interest rate method.
- (2) Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

(ii) Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss

(c) Impairment of financial assets:

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) Income recognition:**Interest income:-**

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends:-

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

Share in Profit/(Loss) :-

Share of profit (Loss) from partnership firms/LLPs in which the Company is partner is recognized based on the financial information provided and confirmed by the respective firms.

6. Revenue recognition :-**(i) Construction Revenue :-**

The company undertakes the business of construction of residential properties through joint venture. The ongoing contracts with customers are construction of residential properties.

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The Company has applied the following accounting policy for revenue recognition:

The Company recognises revenue from contracts with customers for ongoing contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a goods or services to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

The Company satisfies a performance obligation and recognises revenue over time as company satisfies the following criteria.

1. The company's performance does not create an asset with an alternative use to the entity and
2. The company has an enforceable right to payment for performance completed to date

The Company Recognised the revenue using cost based input method. Revenue is recognised with respect to stage of completion, which assessed with reference to the proportion of contract cost incurred for work performed to the estimated total cost of completion of contract.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

Advances from customers, progress payments, amount due from and due to customers and retention money receivable

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (costs plus attributable profits) for the contract work performed till date.

(ii) Dividend Income :-

Dividend Income is accounted when the right to receive the same is established

(iii) Interest Income or expenses:-

Interest income or expense is accounted basis effective interest rate (EIR).

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

7. Cost of Construction / Development :-

Cost of Construction/Development (including cost of land) development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses incurred. Cost of sales is charged to the statement of profit and loss in the proportionate to project area sold and revenue whereof is recognised. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.

8. Borrowing Cost :

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

9. Earnings Per Share :

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

10. Current and Deferred Taxes : Current Tax :

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income 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 income tax asset to be utilised.

Deferred tax liabilities and assets measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

11. Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material) and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

12. Operating Cycle :-

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realisation of project into cash & cash equivalents and are in the range of 3 to 7 years. Accordingly, project related assets & liabilities have been classified into current & non-current based on operating cycle of the respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months

13. Trade receivables :-

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

14. 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. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

15. 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 the statement of profit and loss over the period of the borrowings using the effective interest method (EIR). Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 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 financial statements for issue, not to demand payment as a consequence of the breach.

16. Dividends :-

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.

Notes forming part of the standalone financial statements

Note 2 - Investments : Non-Current

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Investments Carried at: | | |
| A) Cost | | |
| Investments in Partnership Firm | | |
| Shree Swami Samarth Builders & Developers (including share of profit) | 75.75 | 72.39 |
| | 75.75 | 72.39 |

Note 3 - Deferred Tax Assets / (Liabilities)

(Rs. in Lakhs)

| Significant components of deferred tax assets and liabilities for the year / Period ended | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred tax assets on: | | |
| (a) carry forward unused tax losses & unabsorbed depreciation | - | 27.22 |
| MAT Credit Entitlement | | |
| (a) Carry forward unused Tax credit (MAT) | 168.87 | 159.09 |
| Net Deferred tax assets/(liabilities) | 168.87 | 186.31 |

Note 4 - Inventories

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (At lower of cost and net realizable value) | | |
| (a) Land and Plots | 36.21 | 36.21 |
| (b) Construction work-in-progress | 234.07 | 234.07 |
| Total | 270.28 | 270.28 |

Note 5 - Cash and Cash Equivalents

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------|-------------------------|-------------------------|
| (a) Balances with banks | | |
| - In current accounts | 8.87 | 0.48 |
| (b) Cash in hand | 0.14 | 0.27 |
| Total | 9.01 | 0.75 |

Note 6 - Bank balances other than (Note 5) above

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------|-------------------------|-------------------------|
| a) Earmarked accounts | | |
| - Unclaimed dividend | 5.25 | 5.25 |
| Total | 5.25 | 5.25 |

Note 7 - Loans :- Current

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, Considered good | | |
| (a) Loans to related parties [Refer Note 7.2 and 31] | 2,635.20 | 2,350.29 |
| Total | 2,635.20 | 2,350.29 |

CITADEL REALTY AND DEVELOPERS LIMITED

Note 7.1:- No Loans are due from directors or other officer of the Company either severally or jointly with any other person. Nor any loans are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above.

Note 7.2:- The Shareholders of the company have accorded their consent to issue 13,500 Compulsorily Convertible Debentures (CCD) of Rs. 1,000 each aggregating to Rs. 135.00 Lakhs out of the Inter Corporate Deposit extended to the company by Fibre Box Bombay Private Limited. These CCD's would be converted into 4,50,000 equity shares of Rs. 10/- each at a premium of Rs. 20/- per equity share, on receipt of the necessary approvals from the concerned authorities.

Note 8 - Other Current Assets

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Other receivable | - | 4.07 |
| (b) Deposit with statutory authorities under protest | 9.96 | 9.96 |
| (c) Prepaid Expenses | 0.38 | 0.46 |
| Total | 10.34 | 14.49 |

Note 9 - Equity Share Capital

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Authorised: | | |
| 2,00,00,000 Equity shares of Rs. 10/- each (as at 31 March 2022: 2,00,00,000 Equity Shares of Rs.10/- each) | 2,000.00 | 2,000.00 |
| 3,00,000 0% Redeemable Preference Shares of Rs.100/-each (as at 31 March 2022: 3,00,000 0% Redeemable Preference Shares of Rs.100/-each) | 300.00 | 300.00 |
| | 2,300.00 | 2,300.00 |
| Issued, Subscribed and Fully Paid: | | |
| 78,92,198 Equity Shares of Rs.10/- each [as at 31 March 2022 78,92,198 Equity Shares of Rs.10/- each] | 789.22 | 789.22 |
| Total | 789.22 | 789.22 |

Note 9.1:- Terms, rights & restrictions attached to

a. Equity Shares:-

The Company has only one class of equity shares having a face value of Rs. 10 per share [PY: Rs. 10 per share] . Accordingly, all equity shares rank equally with regards to dividends & share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Preference Shares:-

The company has one class of preference shares having face value of Rs. 100/- each. The preference shares rank ahead of equity shares in the event of liquidation.

Note 9.2:- Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|---------------|----------------------|---------------|
| | No. of shares | Amount | No. of shares | Amount |
| Shares at the beginning of the year | 78,92,198 | 789.22 | 78,92,198 | 789.22 |
| Movement during the year | - | - | - | - |
| Outstanding at the end of the year | 78,92,198 | 789.22 | 78,92,198 | 789.22 |

Note 9.3:- Shares held by Holding Company, its Subsidiaries and Associates

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| By Associates company | | |
| 38,41,764 equity shares of Rs. 10/- each (March 31, 2022 : 38,41,764 equity shares of Rs. 10/- each) are held by Marathon Realty Private Limited | 384.18 | 384.18 |

Note 9.4:- Details of Shareholders holding more than 5% share in the company:-

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|----------------------------------|----------------------|---------------|----------------------|---------------|
| | % holding | No. of Shares | % holding | No. of Shares |
| Marathon Realty Private Limited | 48.68% | 38,41,764 | 48.68% | 38,41,764 |
| Fibre Box Bombay Private Limited | 9.42% | 7,43,198 | 9.42% | 7,43,198 |

Details of shares held by promoters as at 31st March 2023

| Promoter Name | No. of Shares at the beginning of the year | % changes during the year | No. of Shares at the end of the year | % of shares | % change during the year |
|-------------------------------------|--|---------------------------------|--|----------------|--------------------------------|
| 1. Marathon Realty Private Limited | 38,41,764 | - | 38,41,764 | 48.68% | - |
| 2. Fibre Box Bombay Private Limited | 7,43,198 | - | 7,43,198 | 9.42% | - |
| 3. Sonal Mayur Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| 4. Shailaja Chetan Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| Total | 51,24,962 | - | 51,24,962 | 64.94% | - |

Details of shares held by promoters as at 31st March 2022

| Promoter Name | No. of Shares at the beginning of the year | % changes during the year | No. of Shares at the end of the year | % of shares | % change during the year |
|-------------------------------------|--|---------------------------------|--|----------------|--------------------------------|
| 1. Marathon Realty Private Limited | 38,41,764 | - | 38,41,764 | 48.68% | - |
| 2. Fibre Box Bombay Private Limited | 7,43,198 | - | 7,43,198 | 9.42% | - |
| 3. Sonal Mayur Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| 4. Shailaja Chetan Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| Total | 51,24,962 | - | 51,24,962 | 64.94% | - |

Note 9.5:- Equity shares movement during the 5 years preceding March 31, 2023.

(a) Issue of shares without payment being received in cash:-

During the FY 2019-20 the Compulsorily Convertible Debentures (CCD) holder has opted to convert the CCD's in to 1,86,112 equity shares of Rs 10/- each at a premium of Rs. 57.40/-.

(b) Equity shares issued as bonus:-

In the FY 2019-20, As per Regulation 93 of SEBI (ICDR) Regulation'2009, the Company has allotted 1,86,112 equity shares as bonus shares to the CCD holder upon conversion of CCD's.

(c) The Company has not undertaken any buy-back of shares.

Note 10 - Other Equity
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Securities Premium Account | | |
| Opening balance | 332.19 | 332.19 |
| Movement during the year | - | - |
| Closing Balance | 332.19 | 332.19 |
| (b) Surplus in Statement of Profit and Loss | | |
| Opening balance | (136.14) | (176.42) |
| Add : Profit for the year | 102.65 | 40.28 |
| Closing Balance | (33.49) | (136.14) |
| Total | 298.70 | 196.05 |

Note 10.1:- Nature and purpose of reserves:-

(a) **Securities Premium Reserves** : Securities premium reserves is excess of face value of shares. Also difference between fair value of optionally convertible preference shares and value of option is accounted as security premium. The reserve is utilised in accordance with the provisions of section 52 of the Act.

(b) **Surplus in the Statement of Profit and Loss A/c** : Retained earnings, or accumulated earnings, are the profits that have been reinvested in the business instead of being paid out in dividends. The number represents the total after-tax income that has been reinvested or retained over the life of the business.

Note 11 - Other Financial Liabilities : Non Current
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Deposits (as per term of Joint venture agreement) [Refer Note 31] | 10.00 | 10.00 |
| Total | 10.00 | 10.00 |

Note 12 - Other Current Liabilities : Non Current
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Advance against project development - (Joint venture Contribution) [Refer Note 12.1 and 31] | 681.59 | - |
| Total | 681.59 | - |

Note 12.1:- In terms of Joint Venture agreement entered into by the Company with Fibre Box Bombay Private Limited, w.e.f. 01st April 2022 the outstanding Inter Corporate Deposits of Rs. 681.59 Lakhs from Fibre Box Bombay Private Limited has been converted in to joint venture contribution to develop the slum project.

Note 13 - Borrowings : Current
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured Borrowings | | |
| Loan Repayable on demand | | |
| (a) Loan from Related party [Refer Note 31] (*the Company has not declared willful defaulter by bank or any other lender) | 1,358.15 | 1,877.54 |
| Total | 1,358.15 | 1,877.54 |

Note 14 - Other Financial Liabilities : Current

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------|-------------------------|-------------------------|
| (a) Unclaimed dividends | 5.25 | 5.25 |
| Total | 5.25 | 5.25 |

Note 15 - Current Tax Liabilities (Net)

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| (a) Income Tax Payable (Net off Advance Tax & TDS credit) | 17.73 | 0.05 |
| Total | 17.73 | 0.05 |

Note 16 - Other Current Liabilities

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Expenses Payable | 1.76 | 3.83 |
| (b) Statutory dues (Withhold Tax, GST) | 12.30 | 17.82 |
| Total | 14.06 | 21.65 |

Note 17 - Revenue from Operations

(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| (a) Interest on advance to execute the Project | 282.34 | 251.82 |
| Total | 282.34 | 251.82 |

Note 18 - Other Income

(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| (a) Share in profit from partnership firm | | |
| (i) Share of Profit from Shree Swami Samarth Builders and Developers | 3.36 | 1.06 |
| Total | 3.36 | 1.06 |

Note 19 - Change in Inventory

(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| (a) Opening Inventory | | |
| Work in Progress | 234.06 | 234.06 |
| Stock in Trade (Land & Plots) | 36.21 | 36.21 |
| Total opening Inventory | 270.27 | 270.27 |
| (b) Closing Inventory | | |
| Work in Progress | 234.06 | 234.06 |
| Stock in Trade (Land & Plots) | 36.21 | 36.21 |
| Total Closing Inventory | 270.27 | 270.27 |
| Total (Change in Inventory a-b) | - | - |

Note 20 - Finance Cost
(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| (a) Interest expense on borrowings | 118.41 | 173.69 |
| (b) Interest on delayed payment of statutory dues | 0.01 | 0.51 |
| Total | 118.42 | 174.20 |

Note 21 - Other Expenses
(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| (a) Rent (office) | 2.70 | 2.70 |
| (b) Insurance | 0.58 | 0.52 |
| (c) Rates and Taxes | 2.06 | 1.84 |
| (d) Printing & Stationery (incl. Postage charges) | 1.28 | 1.49 |
| (e) Legal and professional fees | 5.52 | 2.60 |
| (f) Payment to Auditors | 1.20 | 1.20 |
| (g) Listing fees | 3.81 | 3.81 |
| (h) Director Sitting fees | 7.90 | 7.50 |
| (i) Discount on sale | 1.50 | - |
| (j) Miscellaneous Expenses | 0.99 | 0.03 |
| Total | 27.54 | 21.69 |

Note 21.1:- Payment to Auditors (net off service tax & GST) towards
(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Statutory Audit Fees including fees for quarterly limited reviews | 1.20 | 1.20 |
| Tax Audit Fees | - | - |
| Other Services | - | - |
| Total | 1.20 | 1.20 |

Note 22 - Tax Expenses
Tax expense/(credit) recognized in the Statement of Profit and Loss
(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| (a) Current tax | | |
| Current Tax on taxable income for the year | 9.86 | - |
| Total current tax expense | 9.86 | - |
| (b) Deferred tax | | |
| Deferred tax charge/(credit) | 27.23 | 16.71 |
| MAT Credit (taken)/utilised | - | - |
| Total deferred income tax expense/(credit) | 27.23 | 16.71 |
| (c) Adjustment of Tax related to earlier period | - | - |
| Total tax expense (a+b+c) | 37.09 | 16.71 |

A) Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income tax is summarized below:

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Enacted income tax rate in India applicable to the Company | 26.00% | 26.00% |
| Profit before tax | 139.74 | 56.99 |
| Current tax expenses on Profit before tax expenses at the enacted income tax rate in India | 36.33 | 14.82 |
| Tax effect on Carry forward Loss and Unabsorbed depreciation | (27.23) | (14.54) |
| Tax effect on Exempt Income | - | - |
| Others | 1.63 | - |
| Total income tax expense/(credit) | 9.86 | - |
| Deferred Tax expenses | 27.23 | 16.71 |
| Total tax expense/(credit) | 37.09 | 16.71 |

Note 23 - Earning Per Equity Share

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| <u>Earnings Per Share has been computed as under:</u> | | |
| Profit for the year | 102.65 | 40.28 |
| Weighted average number of equity shares outstanding | 78,92,198 | 78,92,198 |
| Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share) | 1.30 | 0.51 |
| Add: Weighted average number of potential equity shares on account | 78,92,198 | 78,92,198 |
| Weighted average number of Equity shares (including dilutive shares) outstanding | 78,92,198 | 78,92,198 |
| Earnings Per Share (Rs.) - Diluted (Face value of Rs. 10 per share) | 1.30 | 0.51 |

Note 24 :- Disputed Tax Liabilities

Income Tax:-

AY 2005-06 and 2006-07

The Company was in appeal before Income Tax Appellate Tribunal (ITAT) regarding the re-opening of the Assessments u/s 148 of Income Tax Act, 1961 for the assessment years. The ITAT has in its order quashed the reopening. The Income Tax Department is yet to give effect to the order of the ITAT. For AY 2006-07 the Income Tax Department has filed an appeal against the order of the ITAT before the Hon'ble Bombay High Court. As per the status of the appeal on the website of Hon'ble Bombay High Court, the said appeal was not admitted or withdrawn.

During the year, the company has received the notice u/s 148 of the Income Tax Act, 1961 for AY 2017-18. The Company has submitted its reply to the notice issued and assessment proceeding is yet to be disposed off. Company does not expect any probable cash outflow.

Indirect tax

The Company has received the best judgement assessment order for Financial Year 2012-13 with demand of Rs. 99.63 Lakhs by considering the turnover of Financial Year 2011-12. The Company has filed the appeal against such order by paying the applicable fees and matter is yet to be heard.

Note 25:- Lease

The Company has been operating from the premises owned by relatives of Key Management Personnel. During the year, Company had entered into formal agreement for payment of rent on the premises occupied by it. The rental payable has been Rs. 2.70/- Lakhs per annum. The lease does not have any non-cancellable portion. Tenure of the lease agreement is valid till 31st March 2024.

The Company has elected to use recognition exemption for the lease contract, that at the commencement date, have lease term of 12 months or less and do not contain purchase option (Short term Lease) and lease contract for underlying assets is of low value (Low-value) assets.

Hence, adoption of Ind AS does not have any impact on the profitability of the Company.

Note 26:- Segment Reporting

The Company is engaged in Real Estate. The operations of the company do not qualify for reporting as separate business segments as per the criteria set out under Indian Accounting Standard 108 (IND AS-108) on "Operating Segments". The Company is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under IND AS - 108.

Note 27:- Disclosure as per Ind AS 115:-

- (a) The Company is primarily engaged in the business of construction, development and sale of residential real estate projects. The core business activities are carried out under various business models like own development, through joint ventures and joint development and other suitable arrangements with third parties.
- (b) The Company has adopted Ind AS 115 'Revenue from Contracts with Customers' effective 1st April, 2018. The Company has elected the option of the modified retrospective approach and there is no material impact on the measurement of revenue and retained earnings as of 1st April, 2018. The presentation of certain contract related balances have been changed for the current year only and the previous year balances continues to be disclosed as done in the previous year, in compliance with the requirements of Ind AS 115.

As on 31st March 2023, revenue recognised in the current year from performance obligations satisfied/ partially satisfied in the previous year is INR NIL

Note 28:- Corporate Social Responsibility (CSR) expenditure

As per section 135 of the Companies Act, 2013, company need to spent 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) on fulfilling the criteria given under section 135 (1) of the Companies Act, 2013. CSR is not applicable to the company as company does not fulfil the criteria given.

Financial instrument Disclosure:-

Note 29:- Capital Risk Management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to maximize the return to stakeholders through the optimization of the debt and equity balance

The company monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

a) Gearing Ratio:

The Gearing ratio at the end of the reporting period are as follows:

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Debt* (A) | 1,358.15 | 1,877.54 |
| Cash and bank balances (B) | 9.01 | 0.75 |
| Net Debt C=(A-B) | 1,349.14 | 1,876.79 |
| Total Equity (D) | 1,087.92 | 985.27 |
| Net debt to equity ratio (C/D) (in times) | 1.24 | 1.90 |

*Debt is defined as long-term and short-term borrowings including interest accrued on borrowings

Financial risk management

a) The carrying value of financial instruments by categories as of March 31, 2023 is as follows: (Rs. in Lakhs)

| Particulars | Fair value through P&L | Fair value through OCI | Amortised cost | Total carrying value |
|---|------------------------|------------------------|-----------------|----------------------|
| Assets: | | | | |
| Cash and cash equivalents | - | - | 9.01 | 9.01 |
| Other balances with banks | - | - | 5.25 | 5.25 |
| Investments (Other than investment in equity instruments of Subsidiaries) | - | - | 75.75 | 75.75 |
| Loans | - | - | 2,635.20 | 2,635.20 |
| Total | - | - | 2,725.21 | 2,725.21 |
| Liabilities: | | | | |
| Trade and other payables | - | - | - | - |
| Borrowings | - | - | 1,358.15 | 1,358.15 |
| Other financial liabilities | - | - | 15.25 | 15.25 |
| Total | - | - | 1,373.40 | 1,373.40 |

b) The carrying value of financial instruments by categories as of March 31, 2022 is as follows: (Rs. in Lakhs)

| Particulars | Fair value through P&L | Fair value through OCI | Amortised cost | Total carrying value |
|---|------------------------|------------------------|-----------------|----------------------|
| Assets: | | | | |
| Cash and cash equivalents | - | - | 0.75 | 0.75 |
| Other balances with banks | - | - | 5.25 | 5.25 |
| Investments (Other than investment in equity instruments of Subsidiaries) | - | - | 72.39 | 72.39 |
| Loans | - | - | 2,350.29 | 2,350.29 |
| Total | - | - | 2,428.68 | 2,428.68 |
| Liabilities: | | | | |
| Trade and other payables | - | - | - | - |
| Borrowings | - | - | 1,877.54 | 1,877.54 |
| Other financial liabilities | - | - | 15.25 | 15.25 |
| Total | - | - | 1,892.79 | 1,892.79 |

D Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Future specific market movements cannot be normally predicted with reasonable accuracy.

Currency risk: The Company does not have material foreign currency transactions. The company is not exposed to risk of change in foreign currency.

Interest rate risk:

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

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates. The company has borrowed the fund at fixed rate of interest and thus there is no risk of interest rates fluctuating.

Other price risk:

The Company is not exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

II) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit Risk management :-

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

A: Low credit risk

B: High credit risk

| Asset group | Basis of categorisation | Provision for expenses credit loss |
|---------------------|--|---|
| A: Low credit risk | Investments, Other bank balances, trade receivables, cash and cash equivalents, loans and other financial assets | 12 month expected credit loss/Life time expected credit loss |
| B: High credit risk | Trade receivables and loans & Advances | 12 month expected credit loss/Life time expected credit loss/fully provided for |

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

III) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(a) Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at 31st March, 2023

(Rs. in Lakhs)

| Financial liabilities | Carrying amount | Due in one Year | Due after one Year | Total contractual cash flows |
|---|-----------------|-----------------|--------------------|------------------------------|
| (a) Borrowings and interest thereon (incl. current maturity of long term debt) | | | | |
| - 31 March 2023 | 1,358.15 | 1,358.15 | - | 1,358.15 |
| - 31 March 2022 | 1,877.54 | 1,877.54 | - | 1,877.54 |
| (b) Other financial liabilities | | | | |
| - 31 March 2023 | 15.25 | 15.25 | - | 15.25 |
| - 31 March 2022 | 15.25 | 15.25 | - | 15.25 |
| Total | | | | |
| - 31 March 2023 | 1,373.40 | 1,373.40 | - | 1,373.40 |
| - 31 March 2022 | 1,892.79 | 1,892.79 | - | 1,892.79 |

Note 30 :- Joint venture

- a) The company was hitherto jointly developing an area admeasuring 2,159 sq. mtrs of slum property with Mr. Vaibhav Kokate. Company has entered into a partnership with Mr. Vaibhav Kokate in a firm named Shree Swami Samarth Builders and Developers (SSSBD) wherein the company has contributed to 50% of the capital to the partnership.
- b) By virtue of a registered deed the company has transferred development rights pertaining to 2,159 sq. mtrs owned by it to the partnership firm SSSBD. Mr. Vaibhav Kokate has also transferred land belonging to him into the partnership firm. In lieu of the company transferring the development rights it would be entitled to a percentage of the saleable area post the merger of the two land parcels which would be delivered to the company post obtaining the Occupation Certificate by SSSBD.
- c) Further the company is entitled to 37.50% share in the profits of the firm SSSBD less what it would have received during the pendency of the project.

Note 31A :- Related Party Transaction

List of Related Parties and Transactions during the year as per Ind AS-24 “Related Party Disclosures”

a) Associates

1. Marathon Realty Private Ltd (w.e.f. September 27, 2019)
2. Shree Swami Samarth Builders & Developers (Partnership Firm)
3. Fibre Box Bombay Private Ltd

b) Key Managerial Personnel

1. Mr. Veeraraghavan Ranganathan - Chairman
2. Mr. S. Ramamurthi – Director & C.E.O
3. Mr. Chetan R. Shah – Director
4. Ms. Sonal M. Shah – Director
5. Mr. Nilesh Dand – Director & CFO
6. Mr. Devendra Shrimankar – Director

Note 31B:- Transactions with Related Parties (RP):**(Rs. in Lakhs)**

| Type of Transaction | Relationship | Particular | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|---|--------------|---|--------------------------------------|--------------------------------------|
| Interest Income from Partnership Firm / LLP's | Associates | Shree Swami Samarth Builders and Developers | 282.34 | 251.82 |
| Interest Expenses on Inter Corporate Deposits | Associates | Marathon Realty Private Ltd | 118.41 | 99.55 |
| | Associates | Fibre Box Bombay Private Ltd | - | 74.14 |
| Rent Expenses for corporate office | Associates | Marathon Realty Private Ltd | 2.70 | 2.70 |
| Director Sitting Fees | Director | V. Ranganathan | 1.80 | 1.80 |
| | Director | S. Ramamurthi | 1.60 | 1.70 |
| | Director | Devendra Shrimankar | 1.90 | 1.70 |
| | Director | Chetan Shah | 0.80 | 0.80 |
| | Director | Nilesh Dand | 0.80 | 0.90 |
| | Director | Sonal Shah | 1.00 | 0.60 |
| Inter Corporate Deposits taken | Associates | Marathon Realty Private Ltd | 78.46 | 108.38 |
| | Associates | Fibre Box Bombay Private Ltd | 13.00 | - |
| Loan Repaid | Associates | Marathon Realty Private Ltd | 22.49 | 52.00 |
| | Associates | Fibre Box Bombay Private Ltd | 13.35 | 2.99 |
| Share of Profit from Partnership Firm | Associates | Shree Swami Samarth Builders and Developers | 3.36 | 1.06 |

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| Closing Balance | | | | |
|--|------------|---|----------|----------|
| Loan Given | Associates | Shree Swami Samarth Builders and Developers | 2,635.20 | 2,350.29 |
| Inter Corporate Deposit taken | Associates | Marathon Realty Private Ltd | 1,114.59 | 952.04 |
| | Associates | Fibre Box Bombay Private Ltd | 243.56 | 925.50 |
| Advance against Development of the Project | Associates | Fibre Box Bombay Private Ltd | 681.59 | - |
| Investment in Partnership Firm | Associates | Shree Swami Samarth Builders and Developers | 75.75 | 72.39 |
| Deposits for Project | Associates | Shree Swami Samarth Builders and Developers | 10.00 | 10.00 |

Note 32:- Other Significant Notes

- i **Pending litigations:-** The Company's pending litigations comprise of claims by or against the Company primarily by the suppliers and proceedings pending with tax and other government authorities. The Company has reviewed its pending litigations and proceedings and has adequately provided for where Provisions are required and disclosed the contingent liabilities wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and appropriate disclosure for contingent liabilities is given in Note 24.
- ii **Foreseeable Losses:-** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. There are no derivatives.
- iii Previous Year's figure have been regrouped/rearranged, wherever necessary.
- iv In the opinion of the Management of the company, all current assets appearing in the Balance Sheet as at March 31, 2023 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet.
- v Balance of trade receivables, other receivable, trade payables and loans and advances are subject to confirmation from respective parties and reconciliation, if any.
- vi The share of profit / (loss) in the Firm is accounted in the books of the Company as and when the same is credited / debited to the Partners' Capital Account.

Note 33:- Additional regulatory information

- i The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- ii The Company do not have any transactions with companies struck off.
- iii The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- iv The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v The Company have 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
- vi The Company have 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:-
 - (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
- vii The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

viii **Ratio (Continuing operations) :**

| No. | Particulars | Numerator | Denominator | Mar 31, 2023 | Mar 31, 2022 | Variation | Reason for variance |
|-----|-----------------------------------|---|--|--------------|--------------|-----------|--|
| (a) | Current Ratio | Current Assets | Current Liabilities | 2.10 | 1.39 | 51.44% | |
| (b) | Debt-Equity Ratio, | Total Debt | Shareholders Equity | 1.25 | 1.91 | (34.49%) | |
| (c) | Interest Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Noncash operating expenses | Debt service = Interest | 0.87 | 0.23 | 274.88% | On account of higher profit earned/ accrued in current year as compare to previous year, there is significant change in ratio. |
| (d) | Debt Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Noncash operating expenses | Debt service = Interest + Principal Repayments | 0.87 | 0.23 | 274.88% | On account of higher profit earned/ accrued in current year as compare to previous year, there is significant change in ratio. |
| (e) | Return on Equity Ratio | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | 0.10 | 0.08 | 21.11% | On account of higher net profit earned / accrued during the year, there is significant change in the ratio. |
| (f) | Inventory turnover ratio | Cost of goods sold | Average Inventory | - | - | - | As Company does not have sale during the reporting period and previous year, given ratio is not applicable. |
| (g) | Trade Receivables turnover ratio, | Net credit sales = Gross credit sales - sales return | Avg. Accounts Receivable | - | - | - | As there is no sale during the reporting period and previous period, given ratio is not applicable. |
| (h) | Trade payables turnover ratio, | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | - | - | - | As Company does not have credit purchase and outstanding creditors, given ratio is not applicable. |
| (i) | Net capital turnover ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | - | - | - | As Company does not have sale, given ratio is not applicable. |
| (j) | Net profit ratio | Net Profit | Total Income | 0.36 | 0.16 | 125.57% | On account of higher profit earned/ accrued in previous year as compare to current year, there is significant change in ratio. |

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| No. | Particulars | Numerator | Denominator | Mar 31, 2023 | Mar 31, 2022 | Variation | Reason for variance |
|-----|-----------------------------|---|---|-----------------|-----------------|-----------|--|
| (k) | Return on Capital employed | Earning before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 0.11 | 0.08 | 30.69% | |
| (l) | Return on investment | Share of Profit | Investment in Firm | 0.04 | 0.01 | 202.92% | |
| (m) | Operating profit Margin (%) | Earning before interest and taxes | Revenue from operations | 0.91 | 0.92 | (0.40%) | |
| (n) | Return on Net Worth (%) | Total comprehensive income for the year, net of tax | Net worth | 0.09 | 0.04 | 130.80% | On account of higher profit earned/ accrued in current year as compare to previous year, there is significant change in ratio. |

In terms of our report attached

For Bipin B. Shah & Co.

Chartered Accountants

(ICAI Firm's Registration No. 101511W)

Bipin B. Shah

Proprietor

Membership No. 013191

Place :- Mumbai

Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan

Chairman

(DIN:- 00269682)

S. Ramamurthi

Director & CEO

(DIN:- 00135602)

Nilesh Dand

Director & CFO

(DIN:- 00199785)

Kiran Bangera

Company Secretary

(ACS:- 62214)

Place :- Mumbai

Date :- 19th April, 2023

INDEPENDENT AUDITORS' REPORT

**To the Members of
Citadel Realty and Developers Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Citadel Realty and Developers Limited ("the Company") and its Joint Venture which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on key matters.

1. The assessment of recoverable amount of the Company's investment in and loans receivable from Associates involves significant judgment in respect of assumptions such as discount rates, current work in hand, future contract wins/ future business plan and the recoverability of certain receivables as well as economic assumption such as growth rate.

Auditor's responds:-

Our procedures included the following:

- Evaluated the net worth and past performance of the Company to whom loans given or investments made. Compared the carrying amount of the investment with the expected value of the business

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

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

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

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

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

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and were applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The Consolidated Financial Statement Includes share of profit from partnership firm / associates of Rs. 4.13 Lakhs whose financials have been audited by the its independent Auditor.

Report on Other Legal and Regulatory Requirements

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

a) 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, there is no qualification or adverse remarks by the respective auditors in the the Companies (Auditors Report) Order (CARO). Hence, reporting on the matters specified in paragraph 3(xxi) of the Order is not applicable.

b) As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of joint ventures/ Associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- i. We/the other auditors whose report we have relied upon 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;
- ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditor.
- iii. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- iv. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- v. 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 who are appointed under Section 139 of the Act, joint ventures, none of the directors of the Group's companies, 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;
- vi. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies and joint ventures incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
- vii. In our opinion and based on the consideration of reports of other statutory auditors of the joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Holding

Company joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- viii. 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph
1. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint ventures in its consolidated financial statements – Refer note 40 to the consolidated financial statements;
 2. The Group and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2023.
 4. The Management has represented to us that, to the best of its 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 to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Management has represented to us that, to the best of its 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 from any person(s) or entity(ies), 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

Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representation given by the Management under paragraph (3) (g) (iv) (a) and (b) above contain any material misstatement.

5. The Company has not declared or paid any dividend during the current period.

For Bipin B. Shah & Co.

Firm Registration Number: 101511W

Chartered Accountants

Bipin B. Shah

Proprietor

Membership No. 013191.

UDIN:- 23013191BGZHAD8032

Place:- Mumbai

Date :- 19th April 2023

Annexure “A” to the Independent Auditor’s Report

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

(Referred to in paragraph (A) (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

We have audited the internal financial controls over financial reporting of CITADEL REALTY AND DEVELOPERS LIMITED (“the Holding Company”) as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its Joint Venture has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bipin B. Shah & Co.

Firm Registration Number: 101511W

Chartered Accountants

Bipin B. Shah

Proprietor

Membership No. 013191.

UDIN:- 23013191BGZHAD8032

Place:- Mumbai

Date :- 19th April 2023

Consolidated Balance Sheet as at 31st March 2023

(Rs. in Lakhs)

| Particulars | Note No. | As at 31 st March 2023 | As at 31 st March 2022 |
|---|----------|--------------------------------------|--------------------------------------|
| ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Financial Assets | | | |
| (i) Investments | 2 | 91.30 | 88.30 |
| (b) Deferred Tax Assets (Net) | 3 | 168.87 | 186.30 |
| Total Non - Current Assets | | 260.17 | 274.60 |
| 2 Current assets | | | |
| (a) Inventories | 4 | 270.28 | 270.28 |
| (b) Financial Assets | | | |
| (i) Cash and Cash Equivalents | 5 | 9.01 | 0.75 |
| (ii) Bank Balance other than (i) above | 6 | 5.25 | 5.25 |
| (iii) Loans | 7 | 2,635.20 | 2,350.29 |
| (c) Other Current Assets | 8 | 10.34 | 14.49 |
| Total Current Assets | | 2,930.08 | 2,641.06 |
| Total Assets (1+2) | | 3,190.25 | 2,915.66 |
| EQUITY AND LIABILITIES | | | |
| 1 EQUITY | | | |
| (a) Equity Share Capital | 9 | 789.22 | 789.22 |
| (b) Other Equity | 10 | 314.25 | 211.95 |
| Total Equity | | 1,103.47 | 1,001.17 |
| LIABILITIES | | | |
| 2 Non Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Other Financial Liabilities | 11 | 10.00 | 10.00 |
| (b) Other Current Liabilities | 12 | 681.59 | - |
| Total Non Current Liabilities | | 691.59 | 10.00 |
| 3 Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 13 | 1,358.15 | 1,877.54 |
| (ii) Other Financial Liabilities | 14 | 5.25 | 5.25 |
| (b) Current Tax Liabilities (Net) | 15 | 17.73 | 0.05 |
| (c) Other Current Liabilities | 16 | 14.06 | 21.65 |
| Total Current Liabilities | | 1,395.19 | 1,904.49 |
| Total Equity and Liabilities (1+2+3) | | 3,190.25 | 2,915.66 |
| See accompanying notes forming part of the consolidated financial statements. | | | |

In terms of our report attached
For Bipin B. Shah & Co.
Chartered Accountants
(Firm's Registration No. 101511W)

Bipin B. Shah
Proprietor
Membership No. 013191

Place :- Mumbai
Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan
Chairman
(DIN:- 00269682)

S. Ramamurthi
Director & CEO
(DIN:- 00135602)

Nilesh Dand
Director & CFO
(DIN:- 00199785)

Kiran Bangera
Company Secretary
(ACS:- 62214)

Place :- Mumbai
Date :- 19th April, 2023

Consolidated Statement of Profit and Loss for the period ended 31st March 2023

(Rs. in Lakhs except Earnings Per Share)

| Particulars | Note No. | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|--|------------|-------------------------------------|-------------------------------------|
| I Revenue from operations | 17 | 282.34 | 251.82 |
| II Other Income | | - | - |
| III Total Revenue (I + II) | | 282.34 | 251.82 |
| IV EXPENSES | | | |
| (a) Cost of construction/development, land, plots and development rights | | - | - |
| (b) Change in inventory | 18 | - | - |
| (c) Finance cost | 19 | 118.42 | 174.20 |
| (d) Other expenses | 20 | 27.54 | 21.69 |
| V Total Expenses (IV) | | 145.96 | 195.89 |
| VI Profit before tax from continuing operations (III - V) | | 136.38 | 55.93 |
| VII Tax Expense | | | |
| (1) Current tax | 21a | 9.86 | - |
| (2) Deferred tax | 21b | 27.23 | 16.71 |
| (3) Short provision of tax in earlier year | 21c | - | - |
| VIII Total tax expense from continuing operations (VII) | | 37.09 | 16.71 |
| IX Profit after tax (VI - VII) | | 99.29 | 39.22 |
| X Share in the Profit of the Firm | | 3.01 | 4.13 |
| XI Profit for the year (IX+X) | | 102.30 | 43.35 |
| XII Other comprehensive income | | - | - |
| XIII Total Other Comprehensive Income for the year (XII) | | - | - |
| XIV Total Comprehensive income for the year (XI + XIII) | | 102.30 | 43.35 |
| XV Profit for the year attributable to: | | | |
| (i) Owners of the Company | | 102.30 | 43.35 |
| (ii) Non-controlling interest | | - | - |
| XVI Other Comprehensive Income for the year attributable to: | | | |
| (i) Owners of the Company | | - | - |
| (ii) Non-controlling interest | | - | - |
| XVII Total Comprehensive Income for the year attributable to: | | | |
| (i) Owners of the Company | | 102.30 | 43.35 |
| (ii) Non-controlling interest | | - | - |
| XIII Earnings per equity share (Face Value ₹ 10) | | | |
| (1) Basic | 22 | 1.30 | 0.55 |
| (2) Diluted | 22 | 1.30 | 0.55 |
| See accompanying notes forming part of the consolidated financial statements. | | | |

In terms of our report attached
For Bipin B. Shah & Co.
 Chartered Accountants
 (Firm's Registration No. 101511W)

For and on behalf of the Board of Directors

V. Ranganathan
 Chairman
 (DIN:- 00269682)

S. Ramamurthi
 Director & CEO
 (DIN:- 00135602)

Bipin B. Shah
 Proprietor
 Membership No. 013191

Nilesh Dand
 Director & CFO
 (DIN:- 00199785)

Kiran Bangera
 Company Secretary
 (ACS:- 62214)

Place :- Mumbai
 Date :- 19th April, 2023

Place :- Mumbai
 Date :- 19th April, 2023

Consolidated Cash Flow Statement for the year ended 31st March 2023

(Rs. in Lakhs)

| Particulars | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|--|---|---|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax: | 139.39 | 60.06 |
| <u>Adjustment for:</u> | | |
| Finance Cost | 118.42 | 174.20 |
| Interest Income | (282.34) | (251.82) |
| Operating profit before Working Capital changes | (24.53) | (17.56) |
| <u>Adjustments for changes in Working capital</u> | | |
| Increase/(Decrease) in Other Non Current and Current Assets | 4.15 | (0.07) |
| (Increase)/Decrease in Other Non Current and Current Liabilities | (7.59) | 2.64 |
| (Increase)/Decrease in Other Financial Non Current and Current Liabilities | - | - |
| Cash generated from/ (used in) operations | (27.97) | (14.99) |
| Income taxes (paid) | (1.97) | (16.23) |
| Net Cash from / (used in) operating activities | (29.94) | (31.22) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Share of profit from Firm | (3.01) | (4.13) |
| Other Bank Balances | - | - |
| Interest Income | 282.34 | 251.82 |
| Net Cash from/(used in) investing activities | 279.33 | 247.69 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceed /(Repayment) of Long term and short term borrowings | 162.20 | 209.56 |
| Finance cost paid | (118.42) | (174.20) |
| Proceed /(Repayment) of Long term and short term Loan | (284.91) | (251.82) |
| Net Cash from/(used in) financing activities | (241.13) | (216.46) |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | 8.26 | 0.01 |
| Cash and Cash Equivalents (Opening balance) | 0.75 | 0.74 |
| Cash and Cash Equivalents (Closing balance) | 9.01 | 0.75 |
| NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS | 8.26 | 0.01 |

(Rs. in Lakhs)

| Component of Cash & Cash Equivalent | Year ended 31 st March 2023 | Year ended 31 st March 2022 |
|-------------------------------------|---|---|
| Cash in hand | 0.14 | 0.27 |
| Balance With Bank | 8.87 | 0.48 |
| | 9.01 | 0.75 |

Note A:- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Statement of Cash Flows"

Note B:- Previous year's figures have been regrouped /reclassified wherever necessary to corresponds with the current year's classification / disclosures.

The accompanying notes form an integral part of these consolidated financial statements.

In terms of our report attached

For Bipin B. Shah & Co.

Chartered Accountants

(Firm's Registration No. 101511W)

Bipin B. Shah

Proprietor

Membership No. 013191

Place :- Mumbai

Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan

Chairman

(DIN:- 00269682)

S. Ramamurthi

Director & CEO

(DIN:- 00135602)

Nilesh Dand

Director & CFO

(DIN:- 00199785)

Kiran Bangera

Company Secretary

(ACS:- 62214)

Place :- Mumbai

Date :- 19th April, 2023

Consolidated Statement of Changes in Equity

a) Equity Share Capital

(Rs. in Lakhs)

| Particulars | No. of Shares | Amount |
|------------------------------|---------------|--------|
| Balance As at March 31, 2021 | 78,92,198 | 789.22 |
| Change for the year | - | - |
| Balance As at March 31, 2022 | 78,92,198 | 789.22 |
| Change for the year | - | - |
| Balance As at March 31, 2023 | 78,92,198 | 789.22 |

b) Other Equity

For FY 2021-22

(Rs. in Lakhs)

| Particulars | Securities Premium Account | Retained Earnings | Total other Equity |
|--|----------------------------|-------------------|--------------------|
| i. Balance as at April 1, 2021 | 332.19 | (163.59) | 168.60 |
| ii. Profit for the Year | - | 43.35 | 43.35 |
| iii. Remeasurement of defined benefit plan (net of deferred tax) | - | - | - |
| Balance as at March 31, 2022 | 332.19 | (120.24) | 211.95 |

For FY 2022-23

(Rs. in Lakhs)

| Particulars | Securities Premium Account | Retained Earnings | Total other Equity |
|--|----------------------------|-------------------|--------------------|
| i. Balance as at April 1, 2022 | 332.19 | (120.24) | 211.95 |
| ii. Profit for the Year | - | 102.30 | 102.30 |
| iii. Remeasurement of defined benefit plan (net of deferred tax) | - | - | - |
| Balance as at March 31, 2023 | 332.19 | (17.94) | 314.25 |

The accompanying notes form an integral part of these consolidated financial statements.

In terms of our report attached

For Bipin B. Shah & Co.

Chartered Accountants

(Firm's Registration No. 101511W)

Bipin B. Shah

Proprietor

Membership No. 013191

Place :- Mumbai

Date :- 19th April, 2023

For and on behalf of the Board of Directors

V. Ranganathan

Chairman

(DIN:- 00269682)

S. Ramamurthi

Director & CEO

(DIN:- 00135602)

Nilesh Dand

Director & CFO

(DIN:- 00199785)

Kiran Bangera

Company Secretary

(ACS:- 62214)

Place :- Mumbai

Date :- 19th April, 2023

Notes forming part of the consolidated financial statements**Note 1:- Corporate Information:-**

Citadel Realty & Developers Limited (“the Company”) formerly known as Rohit Pulp & Papers Mills Ltd is a Company registered under the Companies Act, 1956. The Company is a public limited company incorporated and domiciled in India and has its registered office at Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013.

The equity shares of the Company are listed on Bombay Stock Exchange of India Limited (BSE). The Company is registered with the Ministry of Corporate Affairs under CIN L21010MH1960PLC011764.

The Company is primarily engaged in the business of construction, development and sale of residential real estate projects. The core business activities are carried out under various business model like own development, through joint ventures and joint development and other arrangements with third parties.

The consolidated financial statement comprises financial statements of the Company together with its Associates (collectively referred to as the ‘Group’) for the year ended March 31, 2023. The Group is engaged primarily in the business of real estate development.

A. Basis of preparation and measurement :-**(a) Statement of Compliance :**

These Consolidated Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 (“the 2013 Act”) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable. The Standalone Financial Statements have been prepared on accrual basis under the historical cost convention except certain financial instruments, defined benefit plans and share based payments measured at fair value.

These consolidated financial statements were authorised for issue by the Company’s Board of Directors on 19 April, 2023.

(b) Functional and presentation currency :

These consolidated financial statements are presented in Indian rupees (INR), which is the Group’s functional currency. All financial information have been presented in Indian rupees (INR) all amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

(c) Basis of measurement :

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value; and defined benefit plans - plan assets measured at fair value

(d) Use of estimates and judgments :

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

The areas involving critical estimates and judgments are:

(i) Estimation of total cost of construction of Project

(ii) Estimation of useful life of property, plant and equipment and intangibles

(iii) Estimation of recognition of deferred tax assets, availability of future taxable profit against which tax losses carried forward can be used

(iv) Impairment of financial assets (i.e. expected credit loss on trade receivables and retention money receivable)

(v) Estimation on discounting of retention money payable

(e) Measurement of fair values :

The Group’s accounting policies and disclosures require the measurement of fair values, for financial instruments:-

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

B. Significant accounting policies :-

1. Lease:-

Operating Lease

As a lessee:-

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

Group as a lessee

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

i) Right-of-use assets:-

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date of underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

ii) Lease Liabilities:-

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

iii) Short-term leases and leases of low-value assets :-

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

2. Cash and Cash Equivalents :-

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, 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.

3. Inventories :-

Inventories of Finished Goods and Property under development are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition and borrowing cost incurred related to project. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

4. Investments in subsidiaries, joint ventures and associates :-

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27. Except where investments accounted for at cost shall be accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

5. Investments and other financial asset :-

(a) Classification :-

The Group classifies its financial assets in the following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

- (2) Those measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Measurement

At initial recognition, the Group measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

(i) Debt instruments:

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments into following categories:

- (1) **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. Interest income from these financial assets is included in other income using the effective interest rate method.
- (2) **Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

(ii) Equity instruments:

The Group measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Group's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss

(c) Impairment of financial assets:

The Group measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(d) Income recognition:

Interest income:-

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends:-

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

6. Revenue recognition :-

(i) Construction Revenue :-

The Group undertakes the business of construction of residential properties through joint venture. The ongoing contracts with customers are construction of residential properties.

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The Group has applied the following accounting policy for revenue recognition:

The Group recognises revenue from contracts with customers for ongoing contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a goods or services to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The Group's performance does not create an asset with an alternative use to the entity and
2. The Group has an enforceable right to payment for performance completed to date

The Group Recognised the revenue using cost based input method. Revenue is recognised with respect to stage of completion, which assessed with reference to the proportion of contract cost incurred for work performed to the estimated total cost of completion of contract.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Group.

Advances from customers, progress payments, amount due from and due to customers and retention money receivable

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (costs plus attributable profits) for the contract work performed till date.

(ii) Dividend Income :-

Dividend Income is accounted when the right to receive the same is established

(iii) Interest Income or expenses:-

Interest income or expense is accounted basis effective interest rate (EIR).

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

7. Cost of Construction / Development :-

Cost of Construction/Development (including cost of land) development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses incurred. Cost of sales is charged to the statement of profit and loss in the proportionate to project area sold and revenue whereof is recognised. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.

8. Borrowing Cost :

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

9. Earnings Per Share :

The Group reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti- dilutive

10. Current and Deferred Taxes : Current Tax :

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Deferred Tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income 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 income tax asset to be utilised.

Deferred tax liabilities and assets measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

11. Provisions, Contingent Liabilities and Contingent Assets :

A provision is recognised when the Group has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material) and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

12. Operating Cycle :-

The normal operating cycle in respect of operation relating to under construction real estate project depends on signing of agreement, size of the project, phasing of the project, type of development, project complexities, approvals needed & realisation of project into cash & cash equivalents and are in the range of 3 to 7 years. Accordingly, project related assets & liabilities have been classified into current & non-current based on operating cycle of the respective projects. All other assets and liabilities have been classified into current and non-current based on a period of twelve months

13. Trade receivables :-

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

14. 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. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

15. 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 the statement of profit and loss over the period of the borrowings using the effective interest method (EIR). Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 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 financial statements for issue, not to demand payment as a consequence of the breach.

16. Dividends :-

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.

Notes forming part of the consolidated financial statements

Note 2 - Investments : Non-Current

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Investments Carried at: | | |
| A) Cost | | |
| Investments in Partnership Firm | | |
| Shree Swami Samarth Builders & Developers (including share of profit) | 91.30 | 88.30 |
| | 91.30 | 88.30 |

Note 3 - Deferred Tax Assets / (Liabilities)

(Rs. in Lakhs)

| Significant components of deferred tax assets and liabilities for the year / Period ended | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Deferred tax assets on: | | |
| (a) carry forward unused tax losses & unabsorbed depreciation | - | 27.22 |
| MAT Credit Entitlement | | |
| (a) Carry forward unused Tax credit (MAT) | 168.87 | 159.08 |
| Net Deferred tax assets/(liabilities) | 168.87 | 186.30 |

Note 4 - Inventories

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (At lower of cost and net realizable value) | | |
| (a) Land and Plots | 36.21 | 36.21 |
| (b) Construction work-in-progress | 234.07 | 234.07 |
| Total | 270.28 | 270.28 |

Note 5 - Cash and Cash Equivalents

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------|-------------------------|-------------------------|
| (a) Balances with banks | | |
| - In current accounts | 8.87 | 0.48 |
| (b) Cash in hand | 0.14 | 0.27 |
| Total | 9.01 | 0.75 |

Note 6 - Bank balances other than (Note 5) above

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------|-------------------------|-------------------------|
| a) Earmarked accounts | | |
| - Unclaimed dividend | 5.25 | 5.25 |
| Total | 5.25 | 5.25 |

Note 7 - Loans :- Current

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured, Considered good | | |
| (a) Loans to related parties [Refer Note 7.2 and 32] | 2,635.20 | 2,350.29 |
| Total | 2,635.20 | 2,350.29 |

CITADEL REALTY AND DEVELOPERS LIMITED

Note 7.1:- No Loans are due from directors or other officer of the Company either severally or jointly with any other person. Nor any loans are due from firm or any private companies respectively in which any director is a partner, a director or a member other than stated above.

Note 7.2:- The Shareholders of the company have accorded their consent to issue 13,500 Compulsorily Convertible Debentures (CCD) of Rs. 1,000 each aggregating to Rs. 135.00 Lakhs out of the Inter Corporate Deposit extended to the company by Fibre Box Bombay Private Limited. These CCD's would be converted into 4,50,000 equity shares of Rs. 10/- each at a premium of Rs. 20/- per equity share, on receipt of the necessary approvals from the concerned authorities.

Note 8 - Other Current Assets

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Other receivable | - | 4.07 |
| (b) Deposit with statutory authorities under protest | 9.96 | 9.96 |
| (c) Prepaid Expenses | 0.38 | 0.46 |
| Total | 10.34 | 14.49 |

Note 9 - Equity Share Capital

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Authorised: | | |
| 2,00,00,000 Equity shares of Rs. 10/- each (as at 31 March 2022: 2,00,00,000 Equity Shares of Rs.10/- each) | 2,000.00 | 2,000.00 |
| 3,00,000 0% Redeemable Preference Shares of Rs.100/-each (as at 31 March 2022: 3,00,000 0% Redeemable Preference Shares of Rs.100/-each) | 300.00 | 300.00 |
| | 2,300.00 | 2,300.00 |
| Issued, Subscribed and Fully Paid: | | |
| 78,92,198 Equity Shares of Rs.10/- each [as at 31 March 2022 78,92,198 Equity Shares of Rs.10/- each] | 789.22 | 789.22 |
| Total | 789.22 | 789.22 |

Note 9.1:- Terms, rights & restrictions attached to

a. Equity Shares:-

The Company has only one class of equity shares having a face value of Rs. 10 per share [PY: Rs. 10 per share] . Accordingly, all equity shares rank equally with regards to dividends & share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Preference Shares:-

The company has one class of preference shares having face value of Rs. 100/- each. The preference shares rank ahead of equity shares in the event of liquidation.

Note 9.2:- Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|---------------|----------------------|---------------|
| | No. of shares | Amount | No. of shares | Amount |
| Shares at the beginning of the year | 78,92,198 | 789.22 | 78,92,198 | 789.22 |
| Movement during the year | - | - | - | - |
| Outstanding at the end of the year | 78,92,198 | 789.22 | 78,92,198 | 789.22 |

Note 9.3:- Shares held by Holding Company, its Subsidiaries and Associates

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| By Associates company | | |
| 38,41,764 equity shares of Rs. 10/- each (March 31, 2022 : 38,41,764 equity shares of Rs. 10/- each) are held by Marathon Realty Private Limited | 384.18 | 384.18 |

Note 9.4:- Details of Shareholders holding more than 5% share in the company:-

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|----------------------------------|----------------------|---------------|----------------------|---------------|
| | % holding | No. of Shares | % holding | No. of Shares |
| Marathon Realty Private Limited | 48.68% | 38,41,764 | 48.68% | 38,41,764 |
| Fibre Box Bombay Private Limited | 9.42% | 7,43,198 | 9.42% | 7,43,198 |

Details of shares held by promoters as at 31st March 2023

| Promoter Name | No. of Shares at the beginning of the year | % changes during the year | No. of Shares at the end of the year | % of shares | % change during the year |
|-------------------------------------|--|---------------------------------|--|----------------|--------------------------------|
| 1. Marathon Realty Private Limited | 38,41,764 | - | 38,41,764 | 48.68% | - |
| 2. Fibre Box Bombay Private Limited | 7,43,198 | - | 7,43,198 | 9.42% | - |
| 3. Sonal Mayur Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| 4. Shailaja Chetan Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| Total | 51,24,962 | - | 51,24,962 | 64.94% | - |

Details of shares held by promoters as at 31st March 2022

| Promoter Name | No. of Shares at the beginning of the year | % changes during the year | No. of Shares at the end of the year | % of shares | % change during the year |
|-------------------------------------|--|---------------------------------|--|----------------|--------------------------------|
| 1. Marathon Realty Private Limited | 38,41,764 | - | 38,41,764 | 48.68% | - |
| 2. Fibre Box Bombay Private Limited | 7,43,198 | - | 7,43,198 | 9.42% | - |
| 3. Sonal Mayur Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| 4. Shailaja Chetan Shah | 2,70,000 | - | 2,70,000 | 3.42% | - |
| Total | 51,24,962 | - | 51,24,962 | 64.94% | - |

Note 9.5:- Equity shares movement during the 5 years preceding March 31, 2023.

(a) Issue of shares without payment being received in cash:-

During the FY 2019-20 the Compulsorily Convertible Debentures (CCD) holder has opted to convert the CCD's in to 1,86,112 equity shares of Rs 10/- each at a premium of Rs. 57.40/-.

During the FY 2017-18, on approval of shareholders, the Allotment Committee at its meeting held on November 24, 2017, has allotted 1,85,487 Equity Shares of Rs. 10/- each at premium of Rs. 57.39/- on conversion of Preference Share and said shares are listed on BSE w.e.f. January 08, 2018.

(b) Equity shares issued as bonus:-

In the FY 2019-20, As per Regulation 93 of SEBI (ICDR) Regulation'2009, the Company has allotted 1,86,112 equity shares as bonus shares to the CCD holder upon conversion of CCD's.

(c) The Company has not undertaken any buy-back of shares.

Note 10 - Other Equity
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Securities Premium Account | | |
| Opening balance | 332.19 | 332.19 |
| Movement during the year | - | - |
| Closing Balance | 332.19 | 332.19 |
| (b) Surplus in Statement of Profit and Loss | | |
| Opening balance | (120.24) | (163.59) |
| Add : Profit for the year | 102.30 | 43.35 |
| Closing Balance | (17.94) | (120.24) |
| Total | 314.25 | 211.95 |

Note 10.1:- Nature and purpose of reserves:-

(a) Securities Premium Reserves : Securities premium reserves is excess of face value of shares. Also difference between fair value of optionally convertible preference shares and value of option is accounted as security premium. The reserve is utilised in accordance with the provisions of section 52 of the Act.

(b) Surplus in the Statement of Profit and Loss A/c : Retained earnings, or accumulated earnings, are the profits that have been reinvested in the business instead of being paid out in dividends. The number represents the total after-tax income that has been reinvested or retained over the life of the business.

Note 11 - Other Financial Liabilities : Non Current
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Deposits (as per term of Joint venture agreement) [Refer Note 32] | 10.00 | 10.00 |
| Total | 10.00 | 10.00 |

Note 12 - Other Current Liabilities : Non Current
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| (a) Advance against project development - (Joint venture Contribution) [Refer Note 12.1 and 32] | 681.59 | - |
| Total | 681.59 | - |

Note 12.1:- In terms of Joint Venture agreement entered into by the Company with Fibre Box Bombay Private Limited, w.e.f. 01st April 2022 the outstanding Inter Corporate Deposits of Rs. 681.59 Lakhs from Fibre Box Bombay Private Limited has been converted in to joint venture contribution to develop the slum project.

Note 13 - Borrowings : Current
(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| Unsecured Borrowings | | |
| Loan Repayable on demand | | |
| (a) Loan from Related party [Refer Note 32] (*the Company has not declared willful defaulter by bank or any other lender) | 1,358.15 | 1,877.54 |
| Total | 1,358.15 | 1,877.54 |

Note 14 - Other Financial Liabilities : Current

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------|-------------------------|-------------------------|
| (a) Unclaimed dividends | 5.25 | 5.25 |
| Total | 5.25 | 5.25 |

Note 15 - Current Tax Liabilities (Net)

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| (a) Income Tax Payable (Net off Advance Tax & TDS credit) | 17.73 | 0.05 |
| Total | 17.73 | 0.05 |

Note 16 - Other Current Liabilities

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|--|-------------------------|-------------------------|
| (a) Expenses Payable | 1.76 | 3.83 |
| (b) Statutory dues (Withhold Tax, GST) | 12.30 | 17.82 |
| Total | 14.06 | 21.65 |

Note 17 - Revenue from Operations

(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| (a) Interest on advance to execute the Project | 282.34 | 251.82 |
| Total | 282.34 | 251.82 |

Note 18 - Change in Inventory

(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| (a) Opening Inventory | | |
| Work in Progress | 234.06 | 234.06 |
| Stock in Trade (Land & Plots) | 36.21 | 36.21 |
| Total opening Inventory | 270.27 | 270.27 |
| (b) Closing Inventory | | |
| Work in Progress | 234.06 | 234.06 |
| Stock in Trade (Land & Plots) | 36.21 | 36.21 |
| Total Closing Inventory | 270.27 | 270.27 |
| Total (Change in Inventory a-b) | - | - |

Note 19 - Finance Cost

(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| (a) Interest expense on borrowings | 118.41 | 173.69 |
| (b) Interest on delayed payment of statutory dues | 0.01 | 0.51 |
| Total | 118.42 | 174.20 |

Note 20 - Other Expenses
(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| (a) Rent (office) | 2.70 | 2.70 |
| (b) Insurance | 0.58 | 0.52 |
| (c) Rates and Taxes | 2.06 | 1.84 |
| (d) Printing & Stationery (incl. Postage charges) | 1.28 | 1.49 |
| (e) Legal and professional fees | 5.52 | 2.60 |
| (f) Payment to Auditors | 1.20 | 1.20 |
| (g) Listing fees | 3.81 | 3.81 |
| (h) Director Sitting fees | 7.90 | 7.50 |
| (i) Discount on sale | 1.50 | - |
| (j) Miscellaneous Expenses | 0.99 | 0.03 |
| Total | 27.54 | 21.69 |

Note 20.1:- Payment to Auditors (net off service tax & GST) towards
(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|
| Statutory Audit Fees including fees for quarterly limited reviews | 1.20 | 1.20 |
| Tax Audit Fees | - | - |
| Other Services | - | - |
| Total | 1.20 | 1.20 |

Note 21 - Tax Expenses
Tax expense/(credit) recognized in the Statement of Profit and Loss
(Rs. in Lakhs)

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| (a) Current tax | | |
| Current Tax on taxable income for the year | 9.86 | - |
| Total current tax expense | 9.86 | - |
| (b) Deferred tax | | |
| Deferred tax charge/(credit) | 27.23 | 16.71 |
| MAT Credit (taken)/utilised | - | - |
| Total deferred income tax expense/(credit) | 27.23 | 16.71 |
| (c) Adjustment of Tax related to earlier period | - | - |
| Total tax expense (a+b+c) | 37.09 | 16.71 |

A) Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income tax is summarized below:

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Enacted income tax rate in India applicable to the Company | 26.00% | 26.00% |
| Profit before tax | 136.38 | 55.93 |
| Current tax expenses on Profit before tax expenses at the enacted income tax rate in India | 35.46 | 14.54 |
| Tax effect on Carry forward Loss and Unabsorbed depreciation | (27.23) | (14.54) |
| Tax effect on Exempt Income | - | - |
| Others | 1.63 | - |
| Total income tax expense/(credit) | 9.86 | - |
| Deferred Tax expenses | 27.23 | 16.71 |
| Total tax expense/(credit) | 37.09 | 16.71 |

Note 22 - Earning Per Equity Share

| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|
| Earnings Per Share has been computed as under: | | |
| Profit for the year | 102.30 | 43.35 |
| Weighted average number of equity shares outstanding | 78,92,198 | 78,92,198 |
| Earnings Per Share (Rs.) - Basic (Face value of Rs. 10 per share) | 1.30 | 0.55 |
| Add: Weighted average number of potential equity shares on account | 78,92,198 | 78,92,198 |
| Weighted average number of Equity shares (including dilutive shares) outstanding | 78,92,198 | 78,92,198 |
| Earnings Per Share (Rs.) - Diluted (Face value of Rs. 10 per share) | 1.30 | 0.55 |

Note 23 :- Disputed Tax Liabilities**Income Tax :-****AY 2005-06 and 2006-07**

The Group was in appeal before Income Tax Appellate Tribunal (ITAT) regarding the re-opening of the Assessments u/s 148 of Income Tax Act, 1961 for the assessment years. The ITAT has in its order quashed the reopening. The Income Tax Department is yet to give effect to the order of the ITAT. For AY 2006-07 the Income Tax Department has filed an appeal against the order of the ITAT before the Hon'ble Bombay High Court. As per the status of the appeal on the website of Hon'ble Bombay High Court, the said appeal was not admitted or withdrawn.

During the year, the group has received the notice u/s 148 of the Income Tax Act, 1961 for AY 2017-18. The Group has submitted its reply to the notice issued and assesment proceeding is yet to be disposed off. Group does not expect any probable cash outflow.

Indirect tax

The Group has received the best judgement assessment order for Financial Year 2012-13 with demand of Rs. 99.63 Lakhs by considering the turnover of Financial Year 2011-12. The Group has filed the appeal against such order by paying the applicable fees and matter is yet to be heard.

Note No. 24:- Lease

The Group has been operating from the premises owned by relatives of Key Management Personnel. During the year, Group had entered into formal agreement for payment of rent on the premises occupied by it. The rental payable has been Rs. 2.70/- Lakhs per annum. The lease does not have any non-cancellable portion. Tenure of the lease agreement is valid till 31st March 2024.

The Group has elected to use recognition exemption for the lease contract, that at the commencement date, have lease term of 12 months or less and do not contained purchase option (Short term Lease) and lease contract for underlying assets is of low value (Low-value) assets.

Hence, adoption of Ind As does not have any impact on the profitability of the Group.

Note No. 25:- Segment Reporting

The Group is engaged in Real Estate. The operations of the Group do not qualify for reporting as separate business segments as per the criteria set out under Indian Accounting Standard 108 (IND AS-108) on "Operating Segments". The Group is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under IND AS - 108.

Note 26:- Disclosure as per Ind AS 115:-

- The Group is primarily engaged in the business of construction, development and sale of residential real estate projects. The core business activities are carried out under various business models likes own development, through joint ventures and joint development and other suitable arrangements with third parties.
- The Group has adopted Ind AS 115 'Revenue from Contracts with Customers' effective 1st April 2018. The Group has elected the option of the modified retrospective approach and there is no material impact on the measurement of revenue and retained earnings as of 1st April 2018. The presentation of certain contract related balances have been changed for the current year only and the previous year balances continues to be disclosed as done in the previous year, in compliance with the requirements of Ind AS 115.

As on 31st March 2023, revenue recognised in the current year from performance obligations satisfied/ partially satisfied in the previous year is INR NIL

Note 27:- Corporate Social Responsibility (CSR) expenditure

As per section 135 of the Companies Act, 2013, Group need to spent 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) on fulfilling the criteria given under section 135 (1) of the Companies Act, 2013. CSR is not applicable to the Group as Group does not fulfil the criteria given.

Financial instrument Disclosure:-
Note 28:- Capital Risk Management

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern
- to maximize the return to stakeholders through the optimization of the debt and equity balance

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the statement of financial position. The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

a) Gearing Ratio:

The Gearing ratio at the end of the reporting period are as follows:

(Rs. in Lakhs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------|-------------------------|
| Debt* (A) | 1,358.15 | 1,877.54 |
| Cash and bank balances (B) | 9.01 | 0.75 |
| Net Debt C=(A-B) | 1,349.14 | 1,876.79 |
| Total Equity (D) | 1,103.47 | 1,001.17 |
| Net debt to equity ratio (C/D) (in times) | 1.22 | 1.87 |

*Debt is defined as long-term and short-term borrowings including interest accrued on borrowings

Financial risk management
a) The carrying value of financial instruments by categories as of March 31, 2023 is as follows:

(Rs. in Lakhs)

| Particulars | Fair value through P&L | Fair value through OCI | Amortised cost | Total carrying value |
|---|---------------------------|---------------------------|-------------------|-------------------------|
| Assets: | | | | |
| Cash and cash equivalents | - | - | 9.01 | 9.01 |
| Other balances with banks | - | - | 5.25 | 5.25 |
| Investments (Other than investment in equity instruments of Subsidiaries) | - | - | 91.30 | 91.30 |
| Loans | - | - | 2,635.20 | 2,635.20 |
| Total | - | - | 2,740.76 | 2,740.76 |
| Liabilities: | | | | |
| Trade and other payables | - | - | - | - |
| Borrowings | - | - | 1,358.15 | 1,358.15 |
| Other financial liabilities | - | - | 15.25 | 15.25 |
| Total | - | - | 1,373.40 | 1,373.40 |

b) The carrying value of financial instruments by categories as of March 31, 2022 is as follows:

| Particulars | Fair value through P&L | Fair value through OCI | Amortised cost | Total carrying value |
|---|---------------------------|---------------------------|-------------------|-------------------------|
| Assets: | | | | |
| Cash and cash equivalents | - | - | 0.75 | 0.75 |
| Other balances with banks | - | - | 5.25 | 5.25 |
| Investments (Other than investment in equity instruments of Subsidiaries) | - | - | 88.30 | 88.30 |
| Loans | - | - | 2,350.29 | 2,350.29 |
| Total | - | - | 2,444.59 | 2,444.59 |

| Particulars | Fair value through P&L | Fair value through OCI | Amortised cost | Total carrying value |
|-----------------------------|------------------------|------------------------|-----------------|----------------------|
| Liabilities: | | | | |
| Trade and other payables | - | - | - | - |
| Borrowings | - | - | 1,877.54 | 1,877.54 |
| Other financial liabilities | - | - | 15.25 | 15.25 |
| Total | - | - | 1,892.79 | 1,892.79 |

D) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Future specific market movements cannot be normally predicted with reasonable accuracy.

Currency risk: The Group does not have material foreign currency transactions. The Group is not exposed to risk of change in foreign currency.

Interest rate risk:

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

Profit or loss is sensitive to higher/lower interest expense from variable rate borrowings as a result of changes in interest rates. The Group has borrowed the fund at fixed rate of interest and thus there is no risk of interest rates fluctuating.

Other price risk:

The Group is not exposed to equity price risks arising from equity investments. Equity investments are held for strategic rather than trading purposes. The Group does not actively trade these investments.

II) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, unbilled revenue, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk.

Credit Risk management :-

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

A: Low credit risk

B: High credit risk

| Asset group | Basis of categorisation | Provision for expenses credit loss |
|---------------------|--|---|
| A: Low credit risk | Investments, Other bank balances, trade receivables, cash and cash equivalents, loans and other financial assets | 12 month expected credit loss/Life time expected credit loss |
| B: High credit risk | Trade receivables and loans & Advances | 12 month expected credit loss/Life time expected credit loss/fully provided for |

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

III) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(a) Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at 31 March 2023

(Rs. in Lakhs)

| Financial liabilities | Carrying amount | Due in one Year | Due after one Year | Total contractual cash flows |
|---|-----------------|-----------------|--------------------|------------------------------|
| (a) Borrowings and interest thereon (incl. current maturity of long term debt) | | | | |
| - 31 March 2023 | 1,358.15 | 1,358.15 | - | 1,358.15 |
| - 31 March 2022 | 1,877.54 | 1,877.54 | - | 1,877.54 |
| (b) Other financial liabilities | | | | |
| - 31 March 2023 | 15.25 | 15.25 | - | 15.25 |
| - 31 March 2022 | 15.25 | 15.25 | - | 15.25 |
| Total | | | | |
| - 31 March 2023 | 1,373.40 | 1,373.40 | - | 1,373.40 |
| - 31 March 2022 | 1,892.79 | 1,892.79 | - | 1,892.79 |

Note 29 :- Joint venture

- The company was hitherto jointly developing an area admeasuring 2,159 sq. mtrs of slum property with Mr. Vaibhav Kokate. Company has entered into a partnership with Mr. Vaibhav Kokate in a firm named Shree Swami Samarth Builders and Developers (SSSBD) wherein the company has contributed to 50% of the capital to the partnership.
- By virtue of a registered deed the company has transferred development rights pertaining to 2,159 sq. mtrs owned by it to the partnership firm SSSBD. Mr. Vaibhav Kokate has also transferred land belonging to him into the partnership firm. In lieu of the company transferring the development rights it would be entitled to a percentage of the saleable area post the merger of the two land parcels which would be delivered to the company post obtaining the Occupation Certificate by SSSBD.
- Further the company is entitled to 37.50% share in the profits of the firm SSSBD less what it would have received during the pendency of the project.

Note 30 : Particulars of Consolidation
i. Entity considered for Consolidation

| Sr. No. | Name of the Entity | % of ownership as on | | Nature of Interest | Principal Activities |
|---------|---|----------------------|---------------|--------------------|----------------------|
| | | 31 March 2023 | 31 March 2022 | | |
| 1 | Shree Swami Samarth Builders & Developers | 37.50% | 37.50% | Associates | Real Estate |

ii. Disclosure as required under Ind AS 112

Reconciliation of carrying amount of investment in associates :-

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---------------------|---------------------|
| Cost of investment measured using Equity method | 88.30 | 84.17 |
| Share of group in the profit of the firm | 3.00 | 4.13 |
| Value of Investment in Balance sheet as per note no. 2 | 91.30 | 88.30 |

Note 31 :- Additional Information, as required under Schedule III to the Companies Act, 2013, of Consolidated Entities**(a) Statement of Net Assets and Profit/Loss and Other Comprehensive Income considered in Consolidated Financial Statements**

| Name of the entity in the Group | Net Asset i.e.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 | As at 31st March 2023 | As % of consolidated profit or loss | Year ended 31st March 2023 | As % of consolidated OCI | Year ended 31st March 2023 | As % of total comprehensive income | Year ended 31st March 2023 |
| Parent | | | | | | | | |
| Citadel Realty and Developers Ltd | 91.73% | 1,012.17 | 97.06% | 99.29 | - | - | 97.06% | 99.29 |
| Associates (as per Equity Method) | | | | | | | | |
| Shree Swami Samarth Builders and Developers | 8.27% | 91.30 | 2.94% | 3.01 | - | - | 2.94% | 3.01 |
| | 100.00% | 1,103.47 | 100.00% | 102.30 | - | - | 100.00% | 102.30 |

(b) Statement of Net Assets and Profit/Loss and Other Comprehensive Income considered in Consolidated Financial Statements

| Name of the entity in the Group | Net Asset i.e.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 | As at 31st March 2022 | As % of consolidated profit or loss | Year ended 31st March 2022 | As % of consolidated OCI | Year ended 31st March 2022 | As % of total comprehensive income | Year ended 31st March 2022 |
| Parent | | | | | | | | |
| Citadel Realty and Developers Ltd | 91.18% | 912.87 | 90.47% | 39.22 | - | - | 90.47% | 39.22 |
| Associates (as per Equity Method) | | | | | | | | |
| Shree Swami Samarth Builders and Developers | 8.82% | 88.30 | 9.53% | 4.13 | - | - | 9.53% | 4.13 |
| | 100.00% | 1,001.17 | 100.00% | 43.35 | - | - | 100.00% | 43.35 |

Note 32A :- Related Party Transaction

List of Related Parties and Transactions during the year as per Ind AS-24 "Related Party Disclosures"

a) Associates

1. Marathon Realty Private Ltd (w.e.f. September 27, 2019)
2. Shree Swami Samarth Builders & Developers (Partnership Firm)
3. Fibre Box Bombay Private Ltd

b) Key Managerial Personnel

1. Mr. Veeraraghavan Ranganathan - Chairman
2. Mr. S. Ramamurthi – Director & C.E.O
3. Mr. Chetan R. Shah – Director
4. Ms. Sonal M. Shah – Director
5. Mr. Nilesh Dand – Director & CFO
6. Mr. Devendra Shrimankar – Director

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Note 32B:- Transactions with Related Parties (RP):

(Rs. in Lakhs)

| Type of Transaction | Relationship | Particular | For the Year ended March 31, 2023 | For the Year ended March 31, 2022 |
|---|--------------|---|--------------------------------------|--------------------------------------|
| Interest Income from Partnership Firm / LLP's | Associates | Shree Swami Samarth Builders and Developers | 282.34 | 251.82 |
| Interest Expenses on Inter Corporate Deposits | Associates | Marathon Realty Private Ltd | 118.41 | 99.55 |
| | Associates | Fibre Box Bombay Private Ltd | - | 74.14 |
| Rent Expenses for corporate office | Associates | Marathon Realty Private Ltd | 2.70 | 2.70 |
| Director Sitting Fees | Director | V. Ranganathan | 1.80 | 1.80 |
| | Director | S. Ramamurthi | 1.60 | 1.70 |
| | Director | Devendra Shrimankar | 1.90 | 1.70 |
| | Director | Chetan Shah | 0.80 | 0.80 |
| | Director | Nilesh Dand | 0.80 | 0.90 |
| | Director | Sonal Shah | 1.00 | 0.60 |
| Inter Corporate Deposits taken | Associates | Marathon Realty Private Ltd | 78.46 | 108.38 |
| | Associates | Fibre Box Bombay Private Ltd | 13.00 | - |
| Loan Repaid | Associates | Marathon Realty Private Ltd | 22.49 | 52.00 |
| | Associates | Fibre Box Bombay Private Ltd | 13.35 | 2.99 |
| Share of Profit from Partnership Firm | Associates | Shree Swami Samarth Builders and Developers | 3.01 | 4.13 |
| Closing Balance | | | | |
| Loan Given | Associates | Shree Swami Samarth Builders and Developers | 2,635.20 | 2,350.29 |
| Inter Corporate Deposit taken | Associates | Marathon Realty Private Ltd | 1,114.59 | 952.04 |
| | Associates | Fibre Box Bombay Private Ltd | 243.56 | 925.50 |
| Advance against Development of the Project | Associates | Fibre Box Bombay Private Ltd | 681.59 | - |
| Investment in Partnership Firm | Associates | Shree Swami Samarth Builders and Developers | 91.30 | 88.30 |
| Deposits for Project | Associates | Shree Swami Samarth Builders and Developers | 10.00 | 10.00 |

Note 33:- Other Significant Notes:-

- i Pending litigations:- The Company's pending litigations comprise of claims by or against the Company primarily by the suppliers and proceedings pending with tax and other government authorities. The Company has reviewed its pending litigations and proceedings and has adequately provided for where Provisions are required and disclosed the contingent liabilities wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and appropriate disclosure for contingent liabilities is given in Note 24.
- ii **Foreseeable Losses:-** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. There are no derivatives.
- iii Previous Year's figure have been regrouped/rearranged, wherever necessary.
- iv In the opinion of the Management of the company, all current assets appearing in the Balance Sheet as at March 31, 2023 have a value on realisation in the ordinary course of the Company's business at least equal to the amount at which they are stated in the Balance Sheet.
- v Balance of trade receivables, other receivable, trade payables and loans and advances are subject to confirmation from respective parties and reconciliation, if any.
- vi The share of profit / (loss) in the Firm is accounted in the books of the Company as and when the same is credited / debited to the Partners' Capital Account.

Note 34:- Additional regulatory information

- i The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- ii The Company do not have any transactions with companies struck off.
- iii The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- iv The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v The Company have 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
- vi The Company have 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:-
- (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
- vii The Company does not have such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

viii **Ratio (Continuing operations) :**

| No. | Particulars | Numerator | Denominator | Mar 31, 2023 | Mar 31, 2022 | Variation | Reason for variance |
|-----|---------------------------------|---|--|--------------|--------------|-----------|--|
| (a) | Current Ratio | Current Assets | Current Liabilities | 2.10 | 1.39 | 51.44% | |
| (b) | Debt-Equity Ratio, | Total Debt | Shareholders Equity | 1.23 | 1.88 | (34.37%) | |
| (c) | Interest Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Noncash operating expenses | Debt service = Interest | 0.86 | 0.25 | 247.14% | On account of higher profit earned/ accrued in current year as compare to previous year, there is significant change in ratio. |
| (d) | Debt Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Noncash operating expenses | Debt service = Interest + Principal Repayments | 0.86 | 0.25 | 247.14% | On account of higher profit earned/ accrued in current year as compare to previous year, there is significant change in ratio. |
| (e) | Return on Equity Ratio | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | 0.10 | 0.04 | 119.65% | On account of higher net profit earned / accrued during the year, there is significant change in the ratio. |
| (f) | Inventory turnover ratio | Cost of goods sold | Average Inventory | - | - | - | As Company does not have sale during the reporting period and previous year, given ratio is not applicable. |

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| No. | Particulars | Numerator | Denominator | Mar 31, 2023 | Mar 31, 2022 | Variation | Reason for variance |
|-----|-----------------------------------|---|---|--------------|--------------|-----------|--|
| (g) | Trade Receivables turnover ratio, | Net credit sales = Gross credit sales - sales return | Avg. Accounts Receivable | - | - | - | As there is no sale during the reporting period and previous period, given ratio is not applicable. |
| (h) | Trade payables turnover ratio, | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | - | - | - | As Company does not have credit purchase and outstanding creditors, given ratio is not applicable. |
| (i) | Net capital turnover ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | - | - | - | As Company does not have sale, given ratio is not applicable. |
| (j) | Net profit ratio | Net Profit | Total Income | 0.36 | 0.17 | 110.48% | On account of higher profit earned/ accrued in previous year as compare to current year, there is significant change in ratio. |
| (k) | Return on Capital employed | Earning before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 0.10 | 0.08 | 29.48% | |
| (l) | Return on investment | Share of Profit | Investment in Firm | 0.03 | 0.05 | (29.51%) | |
| (m) | Operating profit Margin (%) | Earning before interest and taxes | Revenue from operations | 0.90 | 0.91 | (1.25%) | |
| (n) | Return on Net Worth (%) | Total comprehensive income for the year, net of tax | Net worth | 0.09 | 0.04 | 114.11% | On account of higher profit earned/ accrued in current year as compare to previous year, there is significant change in ratio. |

In terms of our report attached
For Bipin B. Shah & Co.
Chartered Accountants
(Firm's Registration No. 101511W)

For and on behalf of the Board of Directors

V. Ranganathan
Chairman
(DIN:- 00269682)

S. Ramamurthi
Director & CEO
(DIN:- 00135602)

Bipin B. Shah
Proprietor
Membership No. 013191

Nilesh Dand
Director & CFO
(DIN:- 00199785)

Kiran Bangera
Company Secretary
(ACS:- 62214)

Place :- **Mumbai**
Date :- **19th April, 2023**

Place :- **Mumbai**
Date :- **19th April, 2023**

NOTES

Lined area for notes.

Citadel Realty and Developers Limited

802, Marathon Max,

Jn. of Mulund-Goregaon Link Road,

Mulund (W), Mumbai - 400 080.