

# Agarwal Prakash & Co.

CHARTERED ACCOUNTANTS

508, Indra Prakash, 21, Barakhamba Road, New Delhi – 110001

Phones: 011-43516377

E-mail: contact@apnco.org

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Citra Properties Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Citra Properties Limited ("the Company"), which comprise the balance sheet as at 31 March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2023, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ('SA's') specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. Other information 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 will not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are



required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

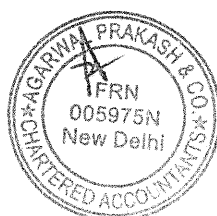
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify



our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

As required by Section 143(3) of the Act, we report that:

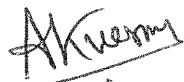
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as at 31 March 2023– Refer Note 48 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared and paid dividend during the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- (h) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company did not pay any remuneration to its directors during the year.

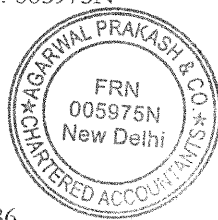
For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N



**Aashish K Verma**  
Partner

Membership No. 527886

UDIN: 23527886BGYTAY6366



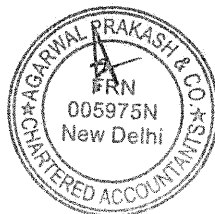
Place: Gurugram

Date: 24 May 2023

## Annexure A to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2023, based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

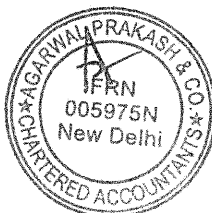
- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.  
  
(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.  
  
(c) The Company does not have any immovable property (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3 (i)(c) of the Order is not applicable.  
  
(d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.  
  
(e) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.  
  
(b) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information, explanation and representation provided to us and based on verification carried out by us, during the year, the Company has not made any investments in or has not provided any guarantee or security or has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, clause 3 (iii) (a) to (f) of the Order is not applicable.
- (iv) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans granted and investments made, and guarantees and security provided by it, as applicable.



- (v) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not accepted deposits or deemed deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under, are applicable. Accordingly, reporting under para 3(v) is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the company in respect of products/services where maintenance of cost records has been specified by the Central government under Sub-section (1) of section 148 of the Act and the rules framed there under and are of the opinion that, prima facie, the prescribed accounts and records have been made & maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) Undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess on account of any dispute, which have not been deposited.
- (viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961), that has not been recorded in the books of account.
- (ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings payable to any banks and other lenders. The Company does not have any borrowings from financial institutions or government.
- (b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us, and the procedures performed by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us, and the procedures performed by us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.



- (x) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, during the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us, and the procedures performed by us, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, and the procedures performed by us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (b) The company did not have an internal audit system for the period under audit. Accordingly, clause 3(xiv) of the Order is not applicable.
- (xv) According to the information, explanation and representation provided to us and based on verification carried out by us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.



(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- (xvii) The company has incurred cash losses of Rs.1,360.03 lakhs in the current financial year 2022-23 and cash losses of Rs. 2,391.40 lakhs during immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and subject to the Emphasis of Matter paragraph given in the main Audit Report along with the Note no. 51(d) of the financial statements, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to 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 Companies Act, 2013 with regards to Corporate Social Responsibility are not applicable to the company. Accordingly, clause 3(xx) of the Order is not applicable.

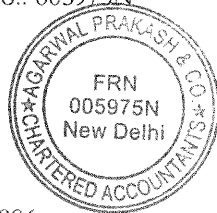
For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N



**Aashish K Verma**  
Partner

Membership No. 527886

UDIN: 23527886BGYTAY6366



Place: Gurugram

Date: 24 May 2023



## **Annexure B to the Independent Auditor's Report**

With reference to the Annexure B referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2023 of even date.

### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls with reference to financial statements of Citra Properties Limited ('the Company') as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 the Company's 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.

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A



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

#### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Agarwal Prakash & Co.**  
Chartered Accountants  
Firm's Registration No.: 005975N



**Aashish K Verma**  
Partner

Membership No. 527886  
UDIN: 23527886BGYTAY6366



Place: Gurugram  
Date: 24 May 2023

## CITRA PROPERTIES LIMITED

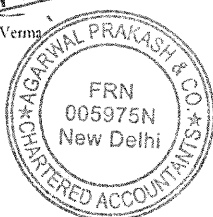
All amount in ₹ lakhs, unless otherwise stated

Balance Sheet as at	Note	31 March 2023	31 March 2022
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	6	9.31	33.48
(b) Intangible assets	7	-	5.92
(c) Financial assets			
Other financial assets	8A	1.00	52.63
(d) Deferred tax assets, net	9	1,288.08	1,296.49
(e) Non-current Tax Assets, net	10	282.51	378.22
(f) Other non-current assets	11A	-	0.08
		<u>1,580.90</u>	<u>1,766.82</u>
<b>Current assets</b>			
(a) Inventories	12	24,549.39	22,471.42
(b) Financial assets			
Cash and cash equivalents	13	155.82	581.05
Other bank balances	14	145.07	93.23
Other financial assets	8B	21.44	17.48
(c) Other current assets	11B	2,894.88	2,424.54
		<u>27,766.60</u>	<u>25,587.72</u>
<b>Total of Asset</b>		<u>29,347.50</u>	<u>27,354.54</u>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15A	9.80	9.80
(b) Instruments entirely equity in nature	15B	5,187.84	5,187.84
(c) Other equity	16	(12,079.59)	(10,645.46)
		<u>(6,881.95)</u>	<u>(5,447.82)</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Provisions	17A	82.36	106.24
		<u>82.36</u>	<u>106.24</u>
<b>Current liabilities</b>			
(a) Financial liabilities			
Borrowings	18	22,425.07	21,299.49
Trade payables	19		
total outstanding dues of micro enterprises and small enterprises		31.68	1.92
total outstanding dues of creditors other than micro enterprises and small enterprises		648.17	531.86
Other financial liabilities	20	248.07	475.71
(b) Other current liabilities	21	12,792.16	10,369.63
(c) Provisions	17B	1.94	17.51
		<u>36,147.09</u>	<u>32,696.12</u>
<b>Total of Equity and Liabilities</b>		<u>29,347.50</u>	<u>27,354.54</u>
<b>Summary of significant accounting policies</b>			
The accompanying notes are integral part of the financial statements			
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This is the balance sheet referred to in our report of even date.

For Agarwal Prakash & Co.  
Chartered Accountants  
Firm's Registration Number: 005975N

Aashish K Verma  
Partner



Place: Gurugram  
Date: 24 May 2023

For and on behalf of the Board of Directors

Rajeev Prabhakar Pitkar  
Whole Time Director  
[DIN: 02205946]

Vishnu Prabhakar Gaur  
Director  
[DIN: 09655278]

Komal  
Komal Rautela  
Company Secretary

Himender Arora  
Chief Financial Officer

## CITRA PROPERTIES LIMITED

All amount in ₹ lakhs, unless otherwise stated

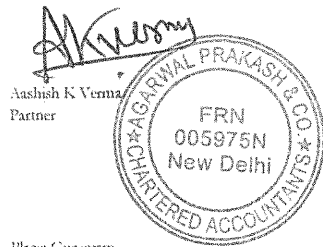
Statement of profit and loss for the		Year ended 31 March	
	Note	2023	2022
Revenue			
Revenue from operations	22	4.60	6.80
Other income	23	45.03	7.68
Total of Revenue		<u>49.63</u>	<u>14.48</u>
Expenses			
Cost of revenue	24		
Cost incurred during the year		2,077.96	1,777.81
Decrease in real estate properties		(2,077.96)	(1,777.81)
Employee benefits expense	25	775.34	681.14
Finance costs	26	327.03	1,466.67
Depreciation and amortisation expense	6 & 7	14.90	73.15
Other expenses	27	292.94	197.66
Total of Expense		<u>1,410.21</u>	<u>2,418.62</u>
Loss before tax		(1,360.58)	(2,404.14)
Tax expense	28		
Current income tax (including earlier year taxes)		20.09	0.99
Deferred tax charge/(credit)		8.41	(9.48)
Loss after tax		<u>(1,389.08)</u>	<u>(2,395.65)</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (loss) / gain on defined benefit plans		(45.05)	(8.09)
Total comprehensive income for the year		<u>(1,434.13)</u>	<u>(2,403.74)</u>
Earnings per equity share	29		
Equity share of par value ₹ 10/- each			
Basic (₹)		(1,416.86)	(2,443.56)
Diluted (₹)		(1,416.86)	(2,443.56)
Summary of significant accounting policies	5		
The accompanying notes form an integral part of the financial statements.			

This is the statement of profit and loss referred to in our report of even date

For Agarwal Prakash &amp; Co.

Chartered Accountants

Firm's Registration Number: 005975N

Place: Gurugram  
Date: 24 May 2023

For and on behalf of the Board of Directors

Rajeev Prabhakar Pitkar  
Whole Time Director  
[DIN: 02205946]

Vishnu Prabhakar Gaur  
Director  
[DIN: 00655278]

Komal Rautela  
Company Secretary

Jitender Arora  
Chief Financial Officer

## Statement of Cash Flows for the

Year ended 31 March

	2023	2022
<b>A. Cash flow from operating activities:</b>		
Loss before income tax for the year	(1,360.58)	(2,404.14)
<b>Adjustments for:</b>		
Property, plant and equipment written off	16.99	0.27
Depreciation and amortisation expense	14.90	73.15
Interest expenses	325.78	1,464.49
Interest on optionally convertible debentures	0.00	0.00
Interest income on fixed deposit	(7.56)	(7.68)
Provision for gratuity and compensated absences	39.29	27.25
<b>Operating loss before working capital changes and other adjustments</b>	<b>(971.18)</b>	<b>(846.66)</b>
<b>Working capital changes and other adjustments:</b>		
Inventories	(2,077.97)	(1,777.80)
Current and non-current financial assets	(3.96)	3.09
Other current and other non-current assets	(470.25)	(143.99)
Trade payables	146.07	61.53
Other financial liabilities	(227.65)	197.83
Other current liabilities	2,422.54	200.01
Current and non-current provisions	(123.79)	(6.13)
<b>Cash flow from/ (used in) operating activities</b>	<b>(1,306.19)</b>	<b>(2,312.12)</b>
Income tax (paid) / refund received, net	75.32	(3.70)
<b>Net cash flow from/(used in) operating activities</b>	<b>(1,230.87)</b>	<b>(2,315.82)</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of property, plant and equipment and other intangible assets	(1.81)	(5.70)
Interest received on fixed deposit	7.36	7.77
<b>Net cash flow from/(used in) Investing activities</b>	<b>5.55</b>	<b>2.07</b>
<b>C. Cash flow from financing activities: (refer note-50)</b>		
Interest paid on debentures	(0.00)	(0.00)
Payment for lease liability	-	(60.68)
Repayment of inter-corporate borrowings	(2,823.00)	(554.00)
Proceeds from inter-corporate borrowings	18,948.57	3,999.05
Other borrowings repaid	(15,000.00)	-
Interest paid on other borrowings	(325.48)	(1,163.42)
<b>Net cash flow from/(used in) Investing activities</b>	<b>800.09</b>	<b>2,220.95</b>
<b>D. (Decrease)/increase in cash and cash equivalents, net (A+B+C)</b>	<b>(425.23)</b>	<b>(92.80)</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>581.05</b>	<b>673.85</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>155.82</b>	<b>581.05</b>
<b>G. Reconciliation of cash and cash equivalents as per cash flow statement</b>		
Cash and cash equivalents includes: (refer note-13)		
Cash on hand	-	-
Balances with scheduled banks	-	-
In current accounts	155.82	581.05
	<b>155.82</b>	<b>581.05</b>

The accompanying notes form an integral part of the financial statements.

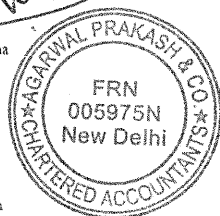
This is the statement of cash flow referred to in our report of even date

For Agarwal Prakash &amp; Co.

Chartered Accountants

Firm's Registration Number: 005975N

AK Verma

Aashish K Verma  
PartnerPlace: Gurugram  
Date: 24 May 2023

For and on behalf of the Board of Directors

  
Rajeev Prabhakar Pitkar  
Whole Time Director  
[DIN: 02205946]


  
Vishnu Prabhakar Gaur  
Director  
[DIN: 09655278]


  
Komal Rautela  
Company Secretary


  
Jitender Arora  
Chief Financial Officer

CITRA PROPERTIES LIMITED

Statement of Changes in Equity for the Year ended 31 March 2023

(A) Equity share capital\*

All amount in ₹ lakhs, unless otherwise stated

Particulars	Opening balance as at 01 April 2021	Issue of equity share capital during the year	Balance as at 31 March 2022	Issue of equity share capital during the year	Balance as at 31 March 2023
Equity share capital	9.80	-	9.80	-	9.80

(B) Compulsory convertible preference shares\*\*

All amount in ₹ lakhs, unless otherwise stated

Particulars	Opening balance as at 01 April 2021	Issue of equity share capital during the year	Balance as at 31 March 2022	Issue of equity share capital during the year	Balance as at 31 March 2023
Compulsory convertible preference shares	1,702.84	-	1,702.84	-	1,702.84

(C) Instruments entirely equity in nature - Optionally convertible debentures\*\*\*

All amount in ₹ lakhs, unless otherwise stated

Particulars	Opening balance as at 01 April 2021	Issue of equity share capital during the year	Balance as at 31 March 2022	Issue of equity share capital during the year	Balance as at 31 March 2023
Optionally convertible debentures	3,485.00	-	3,485.00	-	3,485.00

(D) Other equity \*\*\*\*

Particulars	Reserves and surplus	Total
	Retained earnings	
Opening balance as at 01 April 2021	(8,241.72)	(8,241.72)
Profit/(loss) for the year	(2,395.65)	(2,395.65)
Other comprehensive income	-	-
Re-measurement of defined benefit plans (net of tax)	(8.09)	(8.09)
Balance as at 31 March 2022	(10,645.46)	(10,645.46)
Profit/(loss) for the year	(1,389.08)	(1,389.08)
Other comprehensive income	-	-
Re-measurement of defined benefit plans (net of tax)	(45.05)	(45.05)
Balance as at 31 March 2023	(12,079.59)	(12,079.59)

\*Refer Note - 15A for details

\*\*Refer Note - 15B (1) for details

\*\*\*Refer Note - 15B (2) for details

\*\*\*\*Refer Note - 16 for details

The accompanying notes are integral part of the financial statements

This is the statement of changes in equity referred to in our report of even date.

For Agarwal Prakash & Co.  
Chartered Accountants  
Firm's Registration Number: 005975N

Aashish K Verma  
Partner

FRN  
005975N  
New Delhi

Place: Gurugram  
Date: 24 May 2023

For and on behalf of the Board of Directors

Rajeev Prabhakar Pitkar  
Whole Time Director  
[DIN: 02205946]

Komal Rautela  
Company Secretary

Vishnu Prabhakar Gaur  
Director  
[DIN: 09655278]

Jitender Arora  
Chief Financial Officer

## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

### 1. Nature of principal activities

Citra Properties Limited ("the Company") was incorporated on 08 May 2007 and is engaged in the business of real estate and other related and ancillary activities. The Company is domiciled in India and its registered office is situated at Office no 202, 2nd Floor, A-18, Rama House, Middle Circle, Connaught Place, New Delhi-110001.

### 2. General information and statement of compliance with Ind AS

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ("MCA")), as amended and other relevant provisions of the Act.

The Company has uniformly applied the accounting policies during the periods presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements for the year ended 31 March 2023 were authorized and approved for issue by the Board of Directors on 24 May 2023. The revisions to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

### 3. Recent accounting pronouncement

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

#### Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

#### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

#### Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

### 4. Basis of preparation

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



## CITRA PROPERTIES LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

categorised into level 1, level 2 and level 3 based on the degree to which the inputs to the fair value measurements are observable.

#### 5. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements.

##### 5.1 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Companies Act 2013. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

##### 5.2 Property, plant and equipment (PPE)

###### *Recognition and initial measurement*

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

###### *Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on the straight-line method, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013.

Asset class	Useful life
Building – temporary structure	1 year
Plant and machinery	12 years
Office equipment	5 years
Computers	3 years
Furniture and fixtures	10 years
Vehicles	8 years

The residual values, useful lives and method of depreciation of are reviewed at the end of each financial year.

###### *De-recognition*

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

##### Intangible assets

###### *Recognition and initial measurement*

Intangible assets (softwares) are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.





## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

### *Subsequent measurement (amortisation)*

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

### *De-recognition*

Intangible asset is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

## **5.3 Right of use assets and lease liabilities**

For any new contracts entered into on or after 01 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

### *Classification of leases*

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

### *Recognition and initial measurement*

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

### *Subsequent measurement*

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in statement of profit and loss on a straight-line basis over the lease term.

## **5.4 Financial instruments**

### **Financial assets**

### *Recognition and initial measurement*

All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

### *Subsequent measurement*

i. **Debt instruments at amortised cost** – A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:

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

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

### *De-recognition of financial assets*

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

## **Financial liabilities**

### *Recognition and initial measurement*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted.

### *Subsequent measurement – Amortised cost*

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

### *Initial and subsequent recognition and measurement – fair value*

A financial liability is classified as fair value through profit and loss (‘FVTPL’) if it is designated as such upon initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain/losses, including any interest expense are recognised in statement of profit and loss.

### *De-recognition of financial liabilities*

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

## **Compound financial instrument**

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



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

### Offsetting of financial instruments

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

### 5.5 Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. The Company factors historical trends and forward looking information to assess expected credit losses associated with its assets and impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### *Trade receivables*

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

#### *Other financial assets*

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition, if the financial asset is determined to have low credit risk at the balance sheet date.

### 5.6 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

### 5.7 Inventories

Land other than that transferred to real estate projects under development is valued at lower of cost or net realizable value.

Real estate properties (developed and under development) includes cost of land under development, internal and external development costs, construction costs, and development/construction materials, borrowing costs and related overhead costs and is valued at lower of cost or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

### 5.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 5.9 Revenue recognition

Revenue is recognised when control is transferred and is accounted net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of the revenue transaction as set out below.

#### *Revenue from sale of properties and developed plots*

Revenue from sale of properties is recognized when the performance obligations are essentially complete and credit risks have been significantly eliminated. The performance obligations are considered to be complete when control over the property has been transferred to the buyer i.e. offer for possession (possession request letter) of properties have been issued to the customers and substantial sales consideration is received from the customers.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring property to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised by the Company when the properties are handed over as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

When either party to a contract has performed, an entity shall present the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

The costs estimates are reviewed periodically and effect of any change in such estimate is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

#### *Revenue from sale of land*

Revenue from sale of land and plots is recognised in the year in which the underlying sale deed is executed and there exists no uncertainty in the ultimate collection of consideration from buyer.

#### *Service revenue*

Income from real estate projects advisory services is recognized on accrual basis. Marketing and lease management income are accounted for when the underline contracts are duly executed, on accrual basis when the services are completed, except in cases where ultimate collection is considered doubtful.

#### *Interest income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Interest on delayed receipts, cancellation/forfeiture income and transfer fees from customers are recognized on accrual basis except in cases where ultimate collection is considered doubtful.

### *Gain on amortised cost financial assets*

Gain on de-recognition of amortised cost financial assets is recognised in the year when the entire payment is received against the outstanding balance of amortised cost financial assets.

## 5.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

## 5.11 Foreign currency

### *Functional and presentation currency*

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

### *Transactions and balances*

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

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

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

## 5.12 Income taxes

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognised in Other Comprehensive Income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in Other Comprehensive Income or in equity).

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Profit and Loss is recognised outside Statement of Profit or Loss (either in other comprehensive income or in equity).

### 5.13 Employee benefits

#### *Defined contribution plan*

The Company's contribution to provident fund is charged to the Statement of Profit and Loss or inventorized as a part of real estate project under development, as the case may be. The Company's contributions towards provident fund are deposited with the regional provident fund commissioner under a defined contribution plan.

#### *Defined benefit plan*

The Company has unfunded gratuity as defined benefit plan where the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the balance sheet for defined benefit plans as the present value of the defined benefit obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

#### *Other long-term employee benefits*

The Company also provides benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the Statement of Profit and Loss in the year in which such gains or losses arise.

#### *Short-term employee benefits*

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

### 5.14 Share based payments

Share based compensation benefits are provided to employees via Indiabulls Real Estate Limited ('Holding Company') Employee Stock Option Plans (ESOPs). The employee benefits expense is measured using the fair value of the employee stock options and is recognised over vesting period with a corresponding increase in equity. The vesting period is the period over which all the specified vesting conditions are to be satisfied. On the exercise of the employee stock options, the employees of the Company will be allotted Holding Company's equity shares.

### 5.15 Provisions, contingent liabilities and contingent assets

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

Contingent liability is disclosed for:



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

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

Contingent assets are neither recognised nor disclosed. However, when realization of income is virtually certain, related asset is recognised.

### 5.16 Earnings per share

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

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

### 5.17 Significant management judgement in applying accounting policies and estimation uncertainty

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

#### *Significant management judgements*

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

**Impairment of non-financial assets** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

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

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

#### *Significant estimates*

**Revenue and inventories** – Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which further require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.



## CITRA PROPERTIES LIMITED

### Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.





## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

## Note - 6

## Property, plant and equipment

## Tangible Assets

	Building - temporary structure	Plant and Machinery	Office equipment	Computers	Vehicle	Furniture and fixtures	Right of -use- assets*	Total
<b>Gross carrying amount</b>								
Opening balance as at 01 April 2021	0.49	5.41	26.07	38.37	31.86	15.63	257.40	375.23
Additions	-	-	-	5.34	-	-	-	5.34
Disposals/assets written off	-	(0.22)	(2.12)	-	-	-	(257.40)	(259.74)
<b>Balance as at 31 March 2022</b>	<b>0.49</b>	<b>5.19</b>	<b>23.95</b>	<b>43.71</b>	<b>31.86</b>	<b>15.63</b>	<b>-</b>	<b>120.83</b>
Additions	-	-	-	1.81	-	-	-	1.81
Disposals/assets written off	-	(0.90)	(18.56)	(30.07)	(31.86)	(12.42)	-	(93.81)
<b>Balance as at 31 March 2023</b>	<b>0.49</b>	<b>4.29</b>	<b>5.39</b>	<b>15.45</b>	<b>-</b>	<b>3.21</b>	<b>-</b>	<b>28.83</b>
<b>Accumulated depreciation/amortisation</b>								
Opening balance as at 01 April 2021	0.49	0.31	18.93	34.90	14.79	6.07	205.92	281.41
Charge for the year	-	0.36	4.03	3.99	3.98	1.56	51.48	65.40
Adjustments for disposals	-	(0.04)	(2.02)	-	-	-	(257.40)	(259.46)
<b>Balance as at 31 March 2022</b>	<b>0.49</b>	<b>0.63</b>	<b>20.94</b>	<b>38.89</b>	<b>18.77</b>	<b>7.63</b>	<b>-</b>	<b>87.35</b>
Charge for the year	-	0.35	2.12	2.15	2.99	1.56	-	9.17
Adjustments for disposals	-	(0.25)	(17.67)	(30.07)	(21.77)	(7.24)	-	(77.09)
<b>Balance as at 31 March 2023</b>	<b>0.49</b>	<b>0.72</b>	<b>5.39</b>	<b>10.97</b>	<b>-</b>	<b>1.95</b>	<b>-</b>	<b>19.52</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>-</b>	<b>4.56</b>	<b>3.01</b>	<b>4.82</b>	<b>13.09</b>	<b>8.00</b>	<b>-</b>	<b>33.48</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>-</b>	<b>3.57</b>	<b>-</b>	<b>4.48</b>	<b>-</b>	<b>1.26</b>	<b>-</b>	<b>9.31</b>

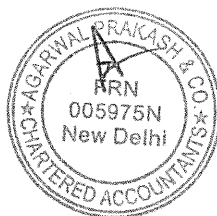
\*Lease hold office premises

## (i) Capitalized borrowing cost

No borrowing cost has been capitalized on property, plant and equipment.

## (ii) Property, plant and equipment pledged as security

Refer to note 18 for information on property, plant and equipment pledged as security by the company.



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

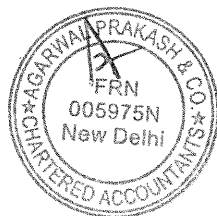
All amount in ₹ lakhs, unless otherwise stated

## Note - 7

## Intangible assets

	Softwares	Total
<b>Gross carrying amount</b>		
Opening balance as at 01 April 2021	39.23	39.23
Additions	0.36	0.36
<b>Balance as at 31 March 2022</b>	<b>39.59</b>	<b>39.59</b>
Additions	-	-
Disposals/assets written off	(39.59)	(39.59)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>
<b>Accumulated depreciation/amortisation</b>		
Opening balance as at 01 April 2021	25.92	25.92
Amortization charge for the year	7.75	7.75
<b>Balance as at 31 March 2022</b>	<b>33.67</b>	<b>33.66</b>
Charge for the year	5.74	5.74
Adjustments for disposals	(39.41)	(39.41)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as at 31 March 2022</b>	<b>5.92</b>	<b>5.92</b>
<b>Net carrying amount as at 31 March 2023</b>	<b>-</b>	<b>-</b>

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## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
<b>Note - 8</b>		
<b>A Other financial assets - non-current</b>		
Bank deposits with maturity of more than 12 months (refer note 14)	1.00	52.63
	<u>1.00</u>	<u>52.63</u>
<b>B Other financial assets - current</b>		
<b>Considered good-Unsecured</b>		
Loans to employees	13.03	9.07
Security Deposits	8.41	8.41
	<u>21.44</u>	<u>17.48</u>
<b>Note - 9</b>		
<b>Deferred tax assets, net</b>		
<b>Deferred tax asset arising on account of :</b>		
Provision of employee benefits	21.21	31.14
Ind AS transition adjustments in retained earning IND AS 115	1,262.14	1,262.14
Property, plant and equipment and intangible assets	4.73	3.21
	<u>1,288.08</u>	<u>1,296.49</u>

Caption wise movement in deferred tax assets as follows:

Particulars	01 April 2021	Recognised in equity (Retained Earning)	Recognised /(reversal) in statement of profit and loss	31 March 2022
<b>Deferred tax asset / (liabilities) arising on:</b>				
Employee benefits	23.79	-	7.35	31.14
Ind AS transition adjustments in retained earning IND AS 115	1,262.14	-	-	1,262.14
Property, plant and equipment	1.08	-	2.13	3.21
<b>Total</b>	<b>1,287.01</b>	<b>-</b>	<b>9.48</b>	<b>1,296.49</b>

Particulars	01 April 2022	Recognised in equity (Retained Earning)	Recognised /(reversal) in statement of profit and loss	31 March 2023
<b>Deferred tax asset / (liabilities) arising on:</b>				
Employee benefits	31.14	-	(9.93)	21.21
Ind AS transition adjustments in retained earning IND AS 115	1,262.14	-	-	1,262.14
Property, plant and equipment	3.21	-	1.52	4.73
<b>Total</b>	<b>1,296.49</b>	<b>-</b>	<b>(8.41)</b>	<b>1,288.08</b>

**Note - 10****Non-current tax assets, net**

Advance income tax, including tax deducted at source

Balances with statutory authorities

281.50

377.21

1.01

1.01

282.51378.22**Note - 11****A Other non-current assets**

Capital advance

-

0.98

-0.98**B Other current assets**

Advance to employees

1.83

2.30

Mobilization advances

764.08

421.01

Advance to material / service providers

107.49

118.07

Prepaid expenses

7.53

-

Balances with statutory authorities

2,013.95

1,883.16

2,894.882,424.54

CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
<b>Note - 12</b>		
<b>Inventories</b>		
Real estate project under development (at cost)		
Land	2,676.15	2,676.15
License and other regulatory fees	4,975.27	4,975.27
Cost of materials, construction cost and other overheads	16,835.09	14,785.88
Less: cost of revenue recognized till date	-	-
	24,486.51	22,437.30
Construction materials in stock (at lower of cost or net realizable value)	62.88	34.12
	<u>24,549.39</u>	<u>22,471.42</u>

**Note - 13**

**Cash and cash equivalents**

Cash on hand		
Balances with banks		
In current accounts*	155.82	581.05
	<u>155.82</u>	<u>581.05</u>

\* It includes ₹ 74.44 lakhs (31 March 2022: ₹ 551.78 lakhs) held in escrow account for a project under Real Estate (Regulation and Development) Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects.

**Note - 14**

**Other bank balances**

Bank deposits*		
With original maturity of more than three months and upto twelve months	143.98	92.35
With maturity of more than twelve months	1.00	52.63
	144.98	144.98
Less: Non-current bank balances in fixed deposit accounts (refer note 8)	1.00	52.63
	143.98	92.35
Interest Accrued on bank deposits	1.09	0.88
	<u>145.07</u>	<u>93.23</u>

\* Fixed deposits with banks of ₹ 143.98 lakhs (excluding accrued interest) (31 March 2022 - ₹ 143.98 lakhs (excluding accrued interest)) are pledged for guarantees provided by the bank in favour of The Director, Town and Country Planning, Haryana and ₹ 1.00 lakh (31 March 2022 - ₹ 1.00 lakh) against FDR- VAI CST registration.

**Note - 15**

**A Equity share capital**

	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
<b>i Authorised</b>				
Equity share capital of face value of ₹ 10 each	1,000,000	100.00	1,000,000	100.00
	<u>1,000,000</u>	<u>100.00</u>	<u>1,000,000</u>	<u>100.00</u>
<b>ii Issued, subscribed and fully paid up</b>				
Equity share capital of face value of ₹ 10 each fully paid up	98,039	9.80	98,039	9.80
	<u>98,039</u>	<u>9.80</u>	<u>98,039</u>	<u>9.80</u>
<b>iii Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year</b>				
<b>Equity shares</b>				
Balance at the beginning of the year	98,039	9.80	98,039	9.80
Add: Issued during the year	-	-	-	-
Less: Redeemed during the year	-	-	-	-
Balance at the end of the year	<u>98,039</u>	<u>9.80</u>	<u>98,039</u>	<u>9.80</u>

**iv Rights, preferences and restrictions attached to equity**

The holders of equity shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In the event of liquidation of the Company, the remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date. The holders of preference shares are entitled to receive dividend, but do not carry the right to vote. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

As at  
31 March 2023As at  
31 March 2022

v 98,039 (31 March 2022: 98,039) equity shares of the Company is held by holding company namely Indiabulls Real Estate Limited and its nominees.

## vi Details of shareholder holding more than 5% share capital

Name of the equity shareholder	Number of shares	Number of shares
Indiabulls Real Estate Limited (including nominee shares)	98,039	98,039

## vii Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2023 is as follows:

Promoter Name	Share Held by Promoters				
	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Indiabulls Real Estate Limited (including nominee shares)	98,039	100.00%	98,039	100.00%	-

Disclosure of shareholding of promoters as at 31 March 2022 is as follows:

Promoter Name	Share Held by Promoters				
	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Indiabulls Real Estate Limited (including nominee shares)	98,039	100.00%	98,039	100.00%	-

viii Company does not have any shares issued for consideration other than cash during the immediately preceding five years. Company did not buy back any shares during immediately preceding five years.

## B Instruments entirely equity in nature

## (I) Compulsorily convertible preference shares

	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
i Authorized				
Preference share capital share capital of face value of ₹ 1000 each	180,000	1,800.00	180,000	1,800.00
	180,000	1,800.00	180,000	1,800.00
ii Issued, subscribed and fully paid up				
Preference share capital share capital of face value of ₹ 1000 each fully paid up	170,284	1,702.84	170,284	1,702.84
	170,284	1,702.84	170,284	1,702.84
iii Reconciliation of number and amount of preference shares outstanding at the beginning and at the end of the year				
Preference shares				
Balance at the beginning of the year	170,284	1,702.84	170,284	1,702.84
Add: Issued during the year	-	-	-	-
Less: Redeemed during the year	-	-	-	-
Balance at the end of the year	170,284	1,702.84	170,284	1,702.84

## iv Rights, preferences and restrictions attached to preference shares

0.0001% Compulsorily convertible preference shares of face value of ₹ 1,000 each fully paid up. These CCPS are held by holding company namely Indiabulls Real Estate Limited and its nominees. These CCPS are convertible into number of equity shares determined by dividing aggregate principal amount of preference share capital by a conversion price of ₹ 1,000. The holders of preference shares are entitled to receive dividends at the rate of 0.0001%, but do not carry right to vote. All shares rank equally with regard to the Company's residual assets, except that holders of preference shares participate only to the extent of the face value of the shares.

v 170,284 (31 March 2022: 170,284) preference shares of the Company is held by holding company namely Indiabulls Real Estate Limited and its nominees.

## vi Details of shareholder holding more than 5% share capital

Name of the preference shareholder	Number of shares	Number of shares
Indiabulls Real Estate Limited (including nominee shares)	170,284	170,284

## vii Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2023 is as follows:

Promoter Name	Share Held by Promoters				
	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Indiabulls Real Estate Limited (including nominee shares)	170,284	100.00%	170,284	100.00%	-



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

	As at 31 March 2023		As at 31 March 2022		
Disclosure of shareholding of promoters as at 31 March 2022 is as follows:					
Promoter Name	Share Held by Promoters				
	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Number of shares	% Total of Shares	Number of shares	% Total of Shares	
Indiabulls Real Estate Limited (including nominee shares)	170,284	100.00%	170,284	100.00%	

viii Company does not have any shares issued for consideration other than cash during the immediately preceding five years. Company did not buy back any shares during immediately preceding five years.

(2) Optionally convertible debentures ('OCD')	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
0.0001% Optionally convertible debentures of face value of ₹ 1,000 each fully paid up	348,500	3,485.00	348,500	3,485.00
	<u>348,500</u>	<u>3,485.00</u>	<u>348,500</u>	<u>3,485.00</u>
Total of instrument entirely in equity in nature		<u>5,187.84</u>		<u>5,187.84</u>

During the year ended 31 March 2014, the company has issued 348,500 optionally convertible debentures of face value of Rs. 1000 each, bearing interest rate of 0.0001% per annum. These debentures are convertible into equity shares, at any time over the maturity period of 20 years. If holder does not exercise its right of conversion, the debentures will be redeemed at the end of the period of 20 years. These optionally convertible debentures are redeemable at the option of the holder, at any time over the maturity period of 20 years.

The board has decided in their meeting held on 10 March 2020 with the consent of debenture holder, the terms of OCD have been changed with effective from 01 April 2019. As per the revised terms, OCD are convertible or redeemable at the option of issuer, on or before the expiry of the term. OCD are convertible in the ratio of one equity share for each OCD. OCD are held by the Holding Company namely Indiabulls Real Estate Limited and its nominees.

## Note - 16

## Other equity

(i) Retained earnings		
Opening balance	(10,645.46)	(8,241.72)
Profit/(loss) for the year	(1,389.08)	(2,395.65)
Other comprehensive income during the year		
Re-measurement of defined benefit plans (net of Tax)	(45.05)	(8.09)
Closing balance	<u>(12,079.59)</u>	<u>(10,645.46)</u>
Total of other equity	<u>(12,079.59)</u>	<u>(10,645.46)</u>

## (ii) Nature and purpose of other reserves

## Retained earnings

Retained earnings is used to record balance of statement of profit and loss.

## Note - 17

## A Provisions - non-current

Provision for employee benefits		
Gratuity (refer note 45)	62.85	80.12
Compensated absences (refer note 45)	<u>19.51</u>	<u>26.12</u>
	<u>82.36</u>	<u>106.24</u>

## B Provisions - current

Provision for employee benefits		
Gratuity (refer note 45)	1.47	12.16
Compensated absences (refer note 45)	<u>0.47</u>	<u>5.35</u>
	<u>1.94</u>	<u>17.51</u>

## Note - 18

## Borrowings - current

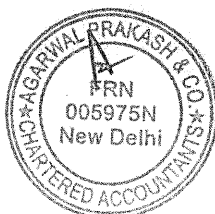
## Secured loans\*

Borrowings from financial institutions 15,000.00

## Unsecured loans

Borrowings from related parties (repayable on demand)	22,425.07	6,299.49
	<u>22,425.07</u>	<u>21,299.49</u>

\*During the financial year ended 31 March 2021 the company had availed loan from Non Banking Financial Companies (NBFC), which is secured by exclusive charge on respective project under development and unsold developed properties/units, all movables and immovables assets and all receivables of the Company. The loans carrying a interest rates of 9%. The loan is repaid during the FY 2022-23.



CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

	As at 31 March 2023	As at 31 March 2022
<b>Note - 19</b>		
<b>Trade payables - current</b>		
Total outstanding dues of micro enterprises and small enterprises*	31.68	1.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	332.62	324.99
Retention Money	315.55	206.87
	<b>679.85</b>	<b>533.78</b>

Trade Payables ageing as at 31 March 2023

Particulars	Outstanding for the year ended 31 March 2023					Total
	Not due	Less than 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	
(i) MSME	163.10	31.68	-	-	-	194.78
(ii) Other than MSME	152.44	317.57	-	-	15.05	485.07
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-

Trade Payables ageing as at 31 March 2022

Particulars	Outstanding for the year ended 31 March 2022					Total
	Not due	Less than 1 year	1 year to 2 year	2 year to 3 year	More than 3 years	
(i) MSME	95.99	1.92	-	-	-	97.91
(ii) Other than MSME	110.88	291.61	2.03	31.03	0.33	435.87
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Other than MSME	-	-	-	-	-	-

\*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at

Particulars		31 March 2023	31 March 2022
i)	the principal amount thereon remaining unpaid to any supplier as at the end of each accounting year;	31.68	1.92
ii)	and the interest due	Nil	Nil
iii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iv)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
v)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
vi)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Note - 20**

**Other financial liabilities - current**

Earnest Money Deposit	37.63	37.63
Expenses payable	210.44	438.08
	<b>248.07</b>	<b>475.71</b>

**Note - 21**

**Other current liabilities**

Payable to statutory authorities	25.99	59.20
Advance from customers	12,766.17	10,310.43
	<b>12,792.16</b>	<b>10,369.63</b>



**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Note - 22</b>		
Revenue from operations		
Service and forfeiture receipts	4.60	6.80
	<b>4.60</b>	<b>6.80</b>
<b>Note - 23</b>		
<b>Other income</b>		
Interest on fixed deposits	7.57	7.68
Interest - others	24.69	-
Miscellaneous income	1.52	0.00
Balances Written Back	11.25	0.00
	<b>45.03</b>	<b>7.68</b>
<b>Note - 24</b>		
<b>Cost of revenue</b>		
Cost incurred during the year	2,077.96	1,777.81
(Increase)/decrease in real estate project under development		
Opening stock	22,471.42	20,693.61
Closing stock	(24,549.38)	(22,471.42)
	<b>-</b>	<b>-</b>
<b>Note - 25</b>		
<b>Employee benefits expense</b>		
Salaries and wages	545.46	570.74
Bonus and ex-gratia	20.59	0.12
Gratuity and leave encashment	39.29	27.25
Others	158.93	65.67
Contribution to provident fund and other funds	10.06	9.29
Staff welfare expenses	1.01	8.07
	<b>775.34</b>	<b>681.14</b>
<b>Note - 26</b>		
<b>Finance costs</b>		
Interest Expense on taxation	0.30	0.18
Interest on optionally convertible debentures	0.00	0.00
Interest expenses on other borrowings	325.48	1,463.01
Bank guarantee charges	1.25	2.18
Interest expenses on lease liabilities	-	1.30
	<b>327.03</b>	<b>1,466.67</b>
<b>Note - 27</b>		
<b>Other expenses</b>		
Advertisement expenses	0.63	-
Bank charges	0.00	0.02
Auditor's remuneration - as auditor (refer note (i) below)	0.20	0.25
Books and periodicals	0.11	-
Communication expenses	0.24	0.52
Insurance expenses	0.13	0.27
Legal and professional charges	81.58	94.25
Loss on sale /written off of fixed assets	16.99	0.27
Power and fuel expenses	-	5.28
Printing and stationery	2.17	3.56
Rates and taxes	10.98	1.07
Repairs and maintenance		
Vehicles	8.70	9.41
Others	3.97	23.75
Brokerage and marketing expenses	123.46	40.21
Software expenses	0.67	1.04
Subscription fees	0.04	0.22
Traveling and conveyance expenses	14.86	6.35
Miscellaneous expenses	6.29	7.71
Customer incentive and other charges	21.92	3.48
	<b>292.94</b>	<b>197.66</b>





CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Details of Auditor's remuneration		
Auditor's remuneration		
Audit fee	0.20	0.25
	<u>0.20</u>	<u>0.25</u>
Note - 28		
Income tax		
Tax expense comprises of:		
Current income tax including earlier year	20.09	0.99
Deferred tax charge/(credit)	8.41	(9.48)
Income tax expense reported in the statement of profit and loss	<u>28.50</u>	<u>(8.49)</u>

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168%(31 March 2022: 25.168%) and the reported tax expense in profit or loss are as follows:

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

Accounting loss before tax from continuing operations	(1,360.58)	(2,404.14)
Accounting loss before income tax	<u>(1,360.58)</u>	<u>(2,404.14)</u>
At India's statutory income tax rate	25.168%	25.168%
Computed expected tax expense	(342.43)	(605.07)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Tax impact on unabsorbed business losses	347.03	597.54
Adjustment of tax relating to earlier year period	20.09	0.99
Tax impact of expense which will never be allowed	3.81	(1.96)
Total Tax	<u>28.50</u>	<u>(8.49)</u>

The unabsorbed business losses amounting to ₹ 13,397.76 lakhs (31 March 2022: ₹ 13,239.46 lakhs) and unabsorbed depreciation amounting to ₹ 97.34 lakhs (31 March 2022: ₹ 86.32 lakhs) on which no deferred tax asset is recognized considering there is no probability which demonstrate realisation of deferred tax asset in the near future. Further these losses are available for offset for maximum period of eight years from the date of incurrence of loss.

Note - 29

Earnings per share (EPS)

The Company's Earnings per Share ("EPS") is determined based on the net profit attributable to the shareholders. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

The following reflects the income and share data used in the basic and diluted EPS computations:

Profit/(Loss) attributable to equity holders :	(1,389.08)	(2,395.65)
Less: Dividend on preference shares	(0.00)	(0.00)
Profit/(Loss) attributable to equity holders for basic earnings	<u>(1,389.08)</u>	<u>(2,395.65)</u>
Add: Preference dividend	0.00	0.00
Add: Interest on convertible debentures	0.00	0.00
Profit/(Loss) attributable to equity holders adjusted for the effect of dilution	<u>(1,389.07)</u>	<u>(2,395.64)</u>
Weighted average number of Equity shares for basic EPS	98,039	98,039
Effect of dilution:		
Optionally Convertible Debentures	34,850,000	34,850,000
Convertible preference shares	170,284	170,284
Weighted average number of Equity shares adjusted for the effect of dilution	<u>35,118,323</u>	<u>35,118,323</u>
Earnings per equity share		
(1) Basic (₹)	(1,416.86)	(2,443.56)
(2) Diluted (₹)	(1,416.86)	(2,443.56)



CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Note - 30

All amount in ₹ lakhs, unless otherwise stated

A) Financial Instruments by category

For amortized cost instruments, carrying value represents the best estimate of fair value.

	31 March 2023			31 March 2022		
	FVTPL (See note 1 below)	FVOCI (See note 2 below)	Amortized cost	FVTPL (See note 1 below)	FVOCI (See note 2 below)	Amortized cost
<b>Financial assets</b>						
Cash and cash equivalents	-	-	155.82	-	-	581.05
Other bank balances	-	-	145.07	-	-	93.23
Other financial assets	-	-	22.44	-	-	70.10
<b>Total financial assets</b>	-	-	<b>323.33</b>	-	-	<b>744.38</b>

Notes

- These financial assets are mandatorily measured at fair value through profit and loss.
- These financial assets represent investments in equity instruments designated as such upon initial recognition.

	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	Amortized cost
<b>Financial liabilities</b>						
Borrowings	-	-	22,425.07	-	-	21,299.49
Trade payables	-	-	679.85	-	-	533.78
Other financial liabilities	-	-	248.07	-	-	475.71
<b>Total financial liabilities</b>	-	-	<b>23,352.99</b>	-	-	<b>22,308.98</b>

B) Fair value measurements

(i) Fair value hierarchy

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

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

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

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

Company does not have any financial assets and financial liabilities that are required to be measured at fair value so no analysis has been shown for fair value measurements.

ii) Financial instruments measured at amortized cost

Financial instruments measured at amortized cost for which the carrying value is the fair value.



CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

All amount in ₹ lakhs, unless otherwise stated

Note - 31

**Financial risk management**

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

**(A) Credit risk**

Credit risk refers to the risk default on its obligation by the counterparty resulting in a financial loss. Maximum exposure to credit risk primarily comes from trade receivables. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit rating assigned by international and domestic credit rating agencies.

Company does not have any trade receivables as on reporting date.

**a) Credit risk management**

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Entity classifies its financial assets into the following categories based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

**Assets under credit risk –**

Credit rating	Particulars	31 March 2023	31 March 2022
A	Cash and Cash Equivalents	155.82	581.05
A	Other bank balances	145.07	93.23
A	Other financial assets	22.44	70.10

The risk parameters are same for all financial assets for all period presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

**b) Credit risk exposure**

**Provision for expected credit losses**

The Company provides for 12 month expected credit losses for following financial assets –

**As at 31 March 2023**

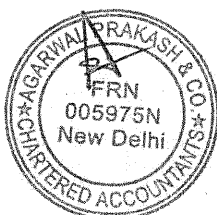
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	155.82	-	155.82
Other bank balances	145.07	-	145.07
Other financial assets	22.44	-	22.44

**As at 31 March 2022**

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	581.05	-	581.05
Other bank balances	93.23	-	93.23
Other financial assets	70.10	-	70.10

**Expected credit loss for trade receivables under simplified approach**

Company does not have any trade receivables.



CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

(B) Liquidity risk

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Company also have an option to arrange funds by taking loans and borrowing from Holding Company/Ultimate Holding Company/Fellow Subsidiary company. Accordingly no liquidity risk is being perceived.

**Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is insignificant.

31 March 2023	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Total
<b>Non-derivatives</b>					
Borrowings	22,425.07	-	-	-	22,425.07
Trade Payables	679.85	-	-	-	679.85
Other Financials Liabilities	248.07	-	-	-	248.07
<b>Total</b>	<b>23,352.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,352.99</b>

31 March 2022	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Total
<b>Non-derivatives</b>					
Borrowings	21,299.49	-	-	-	21,299.49
Trade Payables	533.78	-	-	-	533.78
Lease liabilities	-	-	-	-	-
Other Financials Liabilities	475.71	-	-	-	475.71
<b>Total</b>	<b>22,308.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,308.98</b>

(C) Market risk

**Foreign exchange risk**

Company does not have any foreign currency risks and therefore sensitivity analysis has not been shown.

**Interest rate risk**

Company does not have any interest rate risks and therefore sensitivity analysis has not been shown.

**Price risk**

Company does not have any price risk



**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Note - 32

Revenue related disclosures

**A Disaggregation of revenue**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(Amount in ₹ lakhs)

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Revenue from contracts with customers		
Other operating income	4.60	6.80
<b>Total revenue covered under Ind AS 115</b>	<b>4.60</b>	<b>6.80</b>

**B Contract balances**

The following table provides information about receivables and contract liabilities from contract with customers:

(Amount in ₹ lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Contract liabilities</b>		
Advance from consumers	12,766.17	10,310.43
<b>Total contract liabilities</b>	<b>12,766.17</b>	<b>10,310.43</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

**C Significant changes in the contract liabilities balances during the year are as follows:**

(Amount in ₹ lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
	Contract liabilities	Contract liabilities
	Advances from consumers	Advances from consumers
Opening balance	10,310.43	9,852.78
Addition/(refund) during the year	2,455.74	457.65
<b>Closing balance</b>	<b>12,766.17</b>	<b>10,310.43</b>

D The aggregate amount of transaction price allocated to the performance obligations (yet to complete) as at 31 March 2023 is ₹ 12,766.17 (31 March 2022 : ₹ 10,310.43). The above balance represents the advance received from customers (gross) against real estate properties. The management expects to further bill and collect the remaining balance of total consideration in the coming years. These balances will be recognised as revenue in future years as per the policy of the Company.

**E Reconciliation of revenue recognised with contract revenue:**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract revenue	4.60	6.80
Adjustment for:		
Subvention Cost	-	-
<b>Revenue recognised from real estate properties</b>	<b>4.60</b>	<b>6.80</b>



**Note - 33**

**Details with respect to the Benami properties:**

No proceedings have been initiated or pending against the entity under the Benami Transactions (Prohibitions) Act, 1988 for the year ended 31 March 2023 and 31 March 2022.

**Note - 34**

**Undisclosed income**

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year ended 31 March 2023 and 31 March 2022 in the tax assessments under Income Tax Act, 1961.

**Note - 35**

**Details of Crypto Currency or Virtual Currency**

Profit or loss on transactions involving Crypto currency or Virtual Currency	No transaction during the year ended 31 March 2023 and 31 March 2022.
Amount of currency held as at the reporting date	No transaction during the year ended 31 March 2023 and 31 March 2022.
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No transaction during the year ended 31 March 2023 and 31 March 2022.

**Note - 36**

**Ratio Analysis**

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance
Current Ratio	Current Assets	Current Liabilities	0.77	0.78	-1.84%
Debt Equity Ratio *	Total Debts	Shareholder's Equity	NA	NA	NA
Debt Service Coverage Ratio **	Earnings available for debt services	Debt Service	NA	NA	NA
Return on Equity (ROE) #	Net Profit After Taxes	Average Share holder's Equity	NA	NA	NA
Inventory Turnover Ratio ##	Net sales	Average Inventory	NA	NA	NA
Total Receivable turnover ratio ###	Revenue	Average Trade Receivable	NA	NA	NA
Total Payable turnover ratio \$	Purchase of services and other expenses	Average Trade Payable	NA	NA	NA
Net Capital Turnover Ratio \$\$	Revenue	Working Capital	NA	NA	NA
Net profit ratio ^	Net profit	Revenue	NA	NA	NA
Return of Capital Employed (ROCE) ^^	Earning before interest taxes	Capital Employed	NA	NA	NA
Return on investment †	Income generated from Investment	Time Weighted Average investment	NA	NA	NA

\* Ratio can not be calculated due to negative shareholders funds during the current year as well as in previous year.

\*\* Ratios can not be calculated due to negative earnings during the current year as well as in previous year.

# Ratios can not be calculated due to negative average share holders equity during the current year as well as in previous year.

## Ratios can not be calculated due to no sales during the current year as well as in previous year.

### Ratios can not be calculated due to no trade receivable during the current year as well as in previous year.

\$ Ratios can not be calculated due to no direct expenses during the current year as well as in previous year.

\$\$ Ratios can not be calculated due to negative working capital during the current year as well as in previous year.

^ Ratios can not be calculated due to losses during the current year as well as in previous year.

^^ Ratios can not be calculated due to negative capital employed during the current year as well as in previous year.

† Since this is not an investment company.

**Note - 37**

**Wilful Defaulter:**

No bank or financial institution has declared the company as "Wilful defaulter" during the year ended 31 March 2023 and 31 March 2022.

**Note - 38**

**Details in respect of Utilization of Borrowed funds and share premium:**

During the year ended 31 March 2023 and 31 March 2022 no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

During the year ended 31 March 2023 and 31 March 2022 the Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note - 39**

**Relationship with Struck off Companies:**

No transaction has been made with the company struck off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 and 31 March 2022.

**Note - 40**

**Registration of charges or satisfaction with Registrar of Companies:**

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending for the year ended 31 March 2023 and 31 March 2022.

**Note - 41**

**Compliance with number of layers of companies:**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and no layers of companies has been established beyond the limit prescribed as per above said section / rules during the year ended 31 March 2023 and 31 March 2022.

**Note - 42**

**Loan or advances granted to the promoters, directors and KMPs and the related parties:**

No loan or advances in the nature of loans are granted to the promoters, directors, key managerial persons and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, during the year ended 31 March 2023 and 31 March 2022, that are:

- repayable on demand or
- without specifying any terms or period of repayment



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

### Note – 43

#### Capital management

The Company's objectives when managing capital are to:

- To ensure Company's ability to continue as a going concern, and
- To provide adequate return to shareholders.

Management assesses the capital requirements in order to maintain an efficient overall financing structure. 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. The Company manages its capital requirements by reviewing its net debt position, where net debt is equal to non-current borrowing (including current maturities of non-current borrowings) and short-term borrowing net of cash and cash equivalent and other bank balances.

### Note – 44

#### Related party transactions

Relationship	Name of the related parties
<b>Related parties exercising control</b>	
Holding company	Indiabulls Real Estate Limited
<b>Other related parties</b>	
Fellow subsidiary company*	Indiabulls Constructions Limited

\* With whom transaction have been made.

#### (i) Statement of transactions with related parties

Nature of transactions	Fellow Subsidiary Company		Holding Company	
	2022-23	2021-22	2022-23	2021-22
Loans and advances taken/(repaid), net	-	-	16,125.58	-

#### (ii) Statement of balances outstanding:

Nature of transactions	31 March 2023	31 March 2022
<b>Holding Company</b>		
Loans and advances taken	22,425.07	6,299.49
Optionally Convertible Debenture issued	3,485.00	3,485.00



**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

Note – 45

**Employee benefits****Defined contribution plan**

The Company has made ₹ 7.22 lakhs (31 March 2022 ₹ 6.73 lakhs) contributions in respect of provident fund.

**Defined Benefit Plan**

The Company has the following Defined Benefit Plans:

- Gratuity (Unfunded)
- Compensated absences (Unfunded)

**Risks associated with plan provisions**

Discount rate risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality risk	Actual death & liability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Salary risk	Actual salary increase will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Withdrawal risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**Compensated absences**

The leave obligations cover the Company's liability for sick and earned leaves. The amount of provision of ₹ 0.47 lakhs (31 March 2022- ₹ 5.35 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current.

**Actuarial (Gain)/Loss on obligation:**

	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in demographic assumptions	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	(0.45)	(2.93)
Actuarial (gain)/loss on arising from change in experience assumptions	(5.02)	4.57

**Amount recognized in the statement of profit and loss is as under:**

	31 March 2023	31 March 2022
Service cost	4.68	5.70
Net Interest cost	2.26	1.54
Actuarial (gain)/loss for the year	(5.47)	1.64
<b>Expense recognized in the statement of profit and loss</b>	<b>1.47</b>	<b>8.88</b>





**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

Movement in the liability recognized in the balance sheet is as under:

	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	31.47	22.59
Present value of defined benefit obligation received for employees transferred to the Company	-	-
Current service cost	4.68	5.70
Interest cost	2.26	1.54
Actuarial (gain)/loss, net	(5.47)	1.64
Benefits paid	(12.95)	-
<b>Present value of defined benefit obligation at the end of the year</b>	<b>19.99</b>	<b>31.47</b>
- Current	0.47	5.35
- Non-Current	19.51	26.12

For determination of the liability of the Company, the following actuarial assumptions were used:

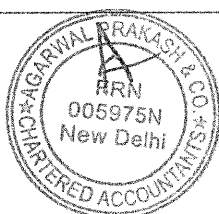
Particulars	Compensated absences	
	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Salary escalation rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Maturity plan of Defined Benefit Obligation**

	Year	31 March 2023	Year	31 March 2022
a)	April 2023 - March 2024	0.47	April 2022 - March 2023	5.35
b)	April 2024 - March 2025	0.37	April 2023 - March 2024	0.48
c)	April 2025 - March 2026	0.59	April 2024 - March 2025	0.48
d)	April 2026 - March 2027	0.35	April 2025 - March 2026	0.53
e)	April 2027 - March 2028	0.51	April 2026 - March 2027	5.43
f)	April 2028 - March 2029	0.34	April 2027 - March 2028	0.36
g)	April 2029 onwards	17.35	April 2028 onwards	18.84



**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

**Sensitivity analysis for compensated absences liability**

		31 March 2023	31 March 2022
<b>Impact of the change in discount rate</b>			
	Present value of obligation at the end of the year	19.99	31.47
a)	Impact due to increase of 0.50 %	(1.23)	(1.54)
b)	Impact due to decrease of 0.50 %	1.31	1.64
<b>Impact of the change in salary increase</b>			
	Present value of obligation at the end of the year	19.99	31.47
a)	Impact due to increase of 0.50 %	1.35	1.68
b)	Impact due to decrease of 0.50 %	(1.24)	(1.56)

Sensitivities due to mortality and withdrawal are not material & hence impact of change not calculated.

**Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity plan is a non-funded plan.

**Actuarial gain/(loss) recognized in other comprehensive income**

	31 March 2023	31 March 2022
Actuarial (gain)/loss on arising from change in demographic assumptions	-	-
Actuarial (gain)/loss on arising from change in financial assumptions	(1.41)	(8.56)
Actuarial (gain)/loss on arising from change in experience assumptions	46.51	16.65

**Amount recognized in the statement of profit and loss is as under:**

	31 March 2023	31 March 2022
Service cost	9.95	13.46
Net Interest cost	6.62	4.91
<b>Expense recognized in the statement of profit and loss</b>	<b>16.57</b>	<b>18.37</b>

	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	92.28	71.94
Present value of defined benefit obligation received for employees transferred to the Company	-	-
Current service cost	9.95	13.46
Interest cost	6.62	4.91
Actuarial (gain)/loss, net	45.05	8.09
Benefits paid	(89.59)	(6.12)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>64.31</b>	<b>92.28</b>
- Current	1.46	12.16
- Non-Current	62.85	80.12



**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	Gratuity	
	31 March 2023	31 March 2022
Discount rate	7.36%	7.18%
Salary escalation rate	5.00%	5.00%
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Maturity plan of Defined Benefit Obligation**

	Year	31 March 2023	Year	31 March 2022
a)	April 2023 - March 2024	1.46	April 2022 - March 2023	12.16
b)	April 2024 - March 2025	1.10	April 2023 - March 2024	1.45
c)	April 2025 - March 2026	1.09	April 2024 - March 2025	1.43
d)	April 2026 - March 2027	1.47	April 2025 - March 2026	1.43
e)	April 2027 - March 2028	1.25	April 2026 - March 2027	17.13
f)	April 2028 - March 2029	1.08	April 2027 - March 2028	1.06
g)	April 2029 onwards	56.86	April 2028 onwards	57.62

**Sensitivity analysis for gratuity liability**

		31 March 2023	31 March 2022
<b>Impact of the change in discount rate</b>			
	Present value of obligation at the end of the year	64.31	92.28
a)	Impact due to increase of 0.50 %	(3.88)	(4.53)
b)	Impact due to decrease of 0.50 %	4.23	4.92
<b>Impact of the change in salary increase</b>			
	Present value of obligation at the end of the year	64.31	92.28
a)	Impact due to increase of 0.50 %	4.31	5.00
b)	Impact due to decrease of 0.50 %	(3.98)	(4.64)

Sensitivities due to mortality and withdrawal are not material & hence impact of change not calculated.

**Note – 46****Provident Fund**

The Hon'ble Supreme Court of India has passed a judgement dated 28 February 2019 and it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Currently, the Company has not considered any impact in these financial statements.



**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

**Note – 47**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. Based on an initial assessment by the Company, the additional impact on Provident Fund contributions by the Company is not expected to be material, whereas, the likely additional impact on Gratuity liability/ contributions by the Company could be material. The Company will complete their evaluation once the subject rules are notified and will give appropriate impact in the financial results in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**Note – 48****Contingent liabilities and commitments**

Contingent liabilities, not acknowledged as debt, include

Contingent Liabilities:

Particulars	31 March 2023	31 March 2022
Income tax matter for the assessment year 2016-17 in respect of which appeal have been filed.	-	516.87
Income tax matter for the assessment year 2017-18 in respect of which appeal have been filed.	-	347.18
Income tax matter for the assessment year 2018-19 in respect of which appeal have been filed.	-	218.05
CGST matters for the period June-15 & July-17 pending with DY / Asst. Comm. Mumbai,	-	14.71

The Company has certain litigations involving customers. However, based on legal analysis, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

**Commitments**

Particulars	31 March 2023	31 March 2022
Arrears of preference dividends	0.02	0.02

There are no other commitments and contingent liabilities to be reported as at 31 March 2023 and 31 March 2022.

**Note – 49****Segmental information**

The Company's primary business segment is reflected based on principal business activities carried on by the Company i.e. purchase, sale, dealing, real estate project advisory, construction and development of real estate projects and all other related activities which as per Ind AS 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company derives its major revenues from construction and development of real estate projects and its customers are widespread. The Company is operating in India which is considered as a single geographical segment



**CITRA PROPERTIES LIMITED**

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

**Note-50****Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows**

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

Particulars	Current borrowings	Total
<b>Net debt as at 01 April 2021</b>	<b>17,854.44</b>	<b>17,854.44</b>
Proceeds from current borrowings	3999.05	3999.05
Repayment of current borrowing	(554.00)	(554.00)
Interest expense incurred	1,463.01	1,463.01
Interest expense paid	(1,163.42)	(1,163.42)
<b>Net debt as at 31 March 2022</b>	<b>21,599.08</b>	<b>21,599.08</b>
Proceeds from current borrowings	18,948.57	18,948.58
Repayment of current borrowings	(17,823.00)	(17,823.00)
Interest expense incurred	-	-
Interest expense paid	(325.48)	(325.48)
<b>Net debt as at 31 March 2023</b>	<b>22,425.07</b>	<b>22,425.07</b>

**Note – 51****Other matters**

- The Company has not entered into any derivative instrument during the year. The Company does not have any foreign currency exposures towards receivables, payables or any other derivative instrument that have not been hedged.
- In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2023 and 31 March 2022.
- In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at 31 March 2023, have a value on realization, in the ordinary course of the Company's business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.



## CITRA PROPERTIES LIMITED

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended 31 March 2023

*All amount in ₹ lakhs, unless otherwise stated*

- d. The Company is a wholly owned subsidiary company of Indiabulls Real Estate Limited, whether directly or indirectly which is having a net worth of ₹ 674,022.74 lakhs. The Company will get all necessary support financially and otherwise from its ultimate holding company/holding company and thus, the Company is 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.

For Agarwal Prakash & Co.

Chartered Accountants

Firm's Registration Number: 005975N



Aashish K Verma  
Partner



Place: Gurugram

Date: 24 May 2023

For and on behalf of the Board of Directors



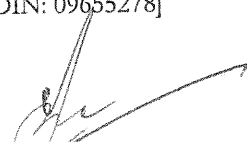
Rajeev Prabhakar Pitkar  
Whole Time Director  
[DIN: 02205946]



Komal Rautela  
Company Secretary



Vishnu Prabhakar Gaur  
Director  
[DIN: 09655278]



Jitender Arora  
Chief Financial Officer