

# CITADEL

**REALTY & DEVELOPERS LTD.**

# 58<sup>th</sup> ANNUAL REPORT

## 2017-18



**MARATHON**

Redefining Real Estate. Redefining Infrastructure.

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# CITADEL REALTY AND DEVELOPERS LIMITED

## DIRECTORS

- MR. V. RANGANATHAN - CHAIRMAN (NON-EXECUTIVE)
- MR. CHETAN R. SHAH
- MR. NILESH DAND - C.F.O. (w.e.f. May 08.2018)
- MR. SUNDARAM RAMAMURTHI - C.E.O.
- MRS. SONAL M. SHAH
- MR. DEVENDRA J. SHRIMANKAR

## COMPANY SECRETARY

- MS. ANUJA DUBE

## AUDITORS

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

## BANKERS :

- BANK OF BARODA

## REGISTERED OFFICE :

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

## CORPORATE OFFICE :

702, Marathon Max,  
Goragaon Link Road, Mulund,  
Mumbai - 400 080.

**CITADEL REALTY AND DEVELOPERS LIMITED**

**NOTICE OF THE FIFTY-EIGHTH ANNUAL GENERAL MEETING**

Notice is hereby given that the FIFTY-EIGHTH (58TH) ANNUAL GENERAL MEETING of the members of Citadel Realty and Developers Limited will be held at Kilachand Conference Room, 2nd floor, Indian Merchant Chambers, Churchgate, Mumbai 400020 on Friday, August 03, 2018 at 4.00 P.M. to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone and Consolidated Audited Profit and Loss Account for the year ended 31st March, 2018 and the Balance Sheet as at that date and the Report of the Board of Directors and the Auditors thereon.
2. To declare Dividend, if any, for the financial year ended on 31st March 2018.
3. To appoint a Director in place of Mr. Chetan Shah, who retires by rotation and being eligible, offers himself for reappointment.

**Regd. Office:**

Marathon FutureX,  
N. M. Joshi Marg, Lower Parel (W),  
Mumbai 400013  
Dated: 8th May 2018

By Order of the Board

Sd/-  
Anuja Dube  
Company Secretary  
ACS44198

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING MAY APPOINT A PROXY, WHO NEED NOT BE A MEMBER. TO ATTEND AND TO VOTE ON HIS / HER BEHALF. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Company has notified closure of Register of Members and Share Transfer Books from July 27, 2018 to August 03, 2018 (both days inclusive).
3. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
4. Members are requested to notify immediately, changes in their address, if any, to the Company's Registrar & Transfer Agents, quoting their folio numbers.
5. To avoid multiple communications, please intimate to Registrar & Transfer Agents about consolidation, if any, of the shares held under more than one folio number by you singly or jointly with others in the same sequence. Please also send relevant Share Certificates for the purpose.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members / Proxy holders are requested to produce at the entrance, attendance slips duly completed and signed for admission to the Meeting Hall.
8. Members are requested to bring their copies of the annual report to the Meeting as the Company has discontinued the practice of providing another copy in view of the increased cost of paper and printing.
9. Since the equity shares of the Company are now dematerialized. NSDL & CDSL have allotted ISIN (International Security Identification Number) INE906D01014 for the Company's Shares.
10. Members who hold shares in Dematerialized form are requested

to bring their client ID and DP ID numbers for easy identification for attendance at the Meeting.

11. All the members are requested to provide their e-mail address to the RTA / Company to enable to send the reports and other through electronic mode.

**Process for members opting for e-voting is as under :**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed, the members are provided with the facility to exercise their votes at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited(NSDL). The instructions for e-voting are as under :

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

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

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 is mentioned below:**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

# CITADEL REALTY AND DEVELOPERS LIMITED

4. Your User ID details are given below :

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

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  3. Select "EVEN" of Company for which you wish to cast your vote.
  4. Now you are ready for e-Voting as the Voting page opens.
  5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  6. Upon confirmation, the message "Vote cast successfully" will be displayed.
  7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [n\\_r\\_joshi@yahoo.com](mailto:n_r_joshi@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Other instructions:

- a. In case a Member receives physical copy of the Ballot papers along with Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
- b. Initial password is provided in the enclosed ballot form; EVEN (E-Voting Event Number), user ID and password.
- c. Please follow all steps as mentioned above to cast vote.
- d. The e-voting period commences on July 31, 2018 (at 10.00 a.m IST), and ends on August 02, 2018 (at 5.00 p.m. IST), during this period Members of the Company, holding shares either in physical form or in dematerialized form, as on July 27, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

Details on Step 2 is given below:

### How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

- e. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital if the Company as on July 27, 2018 and as per the Register of Members of the Company.
- f. Mr. Nitin R. Joshi, Practicing Company Secretary (Membership No.1884) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- g. The Scrutinizer shall within a period not exceeding two working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- h. Members have the option to request for physical copy of the Ballot form by sending an e-mail to [jibu@bigshareonline.com](mailto:jibu@bigshareonline.com) by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot form should/reached the Scrutinizer not later than August 02, 2018 (at 5.00 p.m. IST). Ballot Form received after this date will be treated as invalid.
- i. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts vote by both mode, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- j. A Member can opt for only one mode of voting i.e. either through e-voting shall prevail and Ballot shall be treated as invalid.
- k. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.citadelrealty.in](http://www.citadelrealty.in) and on the website of NSDL [www.e-voting.nsdl.com](http://www.e-voting.nsdl.com) within two working days of the passing of the resolutions at the Annual General Meeting of the Company on August 03, 2018 and communicated to BSE Limited, where the shares of the Company are listed.

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

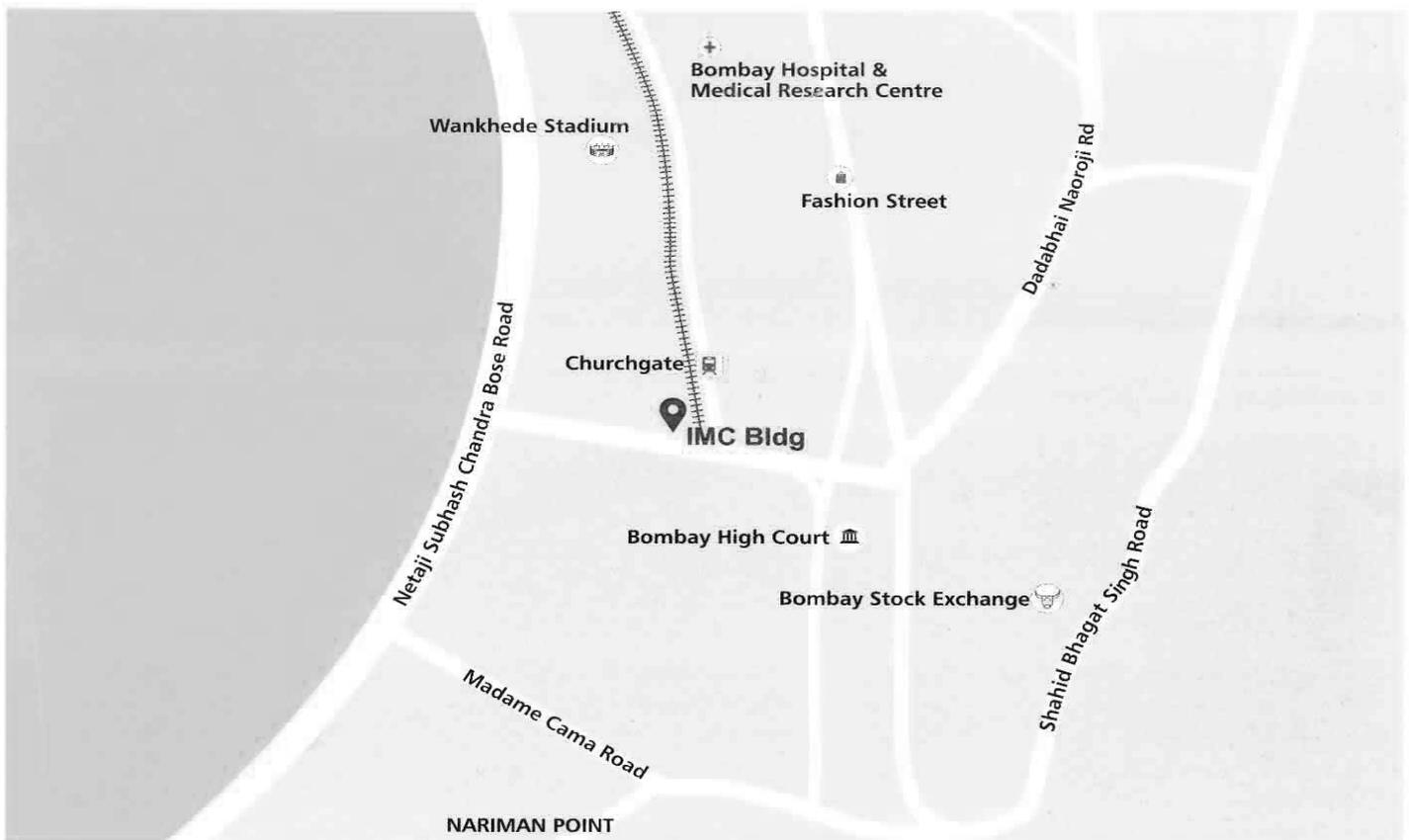
By Order of the Board

Sd/-  
Anuja Dube  
Company Secretary  
ACS44198

Place : Mumbai  
Date : 8th May 2018

#### AGM Venue Location MAP :

Kilachand Conference Room, 2nd floor, Indian Merchant Chambers, Churchgate, Mumbai 400020



# CITADEL REALTY AND DEVELOPERS LIMITED

## DIRECTOR'S REPORT

To  
The Members

Your Directors have pleasure in presenting before the shareholders the 58th Annual Report together with the Audited Financial Accounts of the Company for the year ended 31st March, 2018:

### 1. FINANCIAL HIGHLIGHTS:

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

Particulars	STANDALONE		CONSOLIDATED	
	Financial Year ended 31st March, 2018	Financial Year ended 31st March, 2017	Financial Year ended 31st March, 2018	Financial Year ended 31st March, 2017
Revenue from Operations	142.16	875.42	142.16	875.42
Other income	191.61	93.50	191.61	93.50
<b>Total Revenue</b>	<b>333.77</b>	<b>968.92</b>	<b>333.77</b>	<b>968.92</b>
Total Expenses Excl. Finance Charges	91.01	372.71	91.01	372.71
<b>EBITDA</b>	<b>242.76</b>	<b>596.21</b>	<b>242.76</b>	<b>596.21</b>
Depreciation and Amortization	0.00	0.00	0.00	0.00
<b>EBIT</b>	<b>242.76</b>	<b>596.21</b>	<b>242.76</b>	<b>596.21</b>
Interest and Finance charge	136.21	53.97	136.21	53.97
<b>Earning Before Tax (EBT)</b>	<b>106.55</b>	<b>542.24</b>	<b>106.55</b>	<b>542.24</b>
Less: Taxation:				
- Current Tax	20.19	107.46	20.19	107.46
- Short provision of Tax in earlier Year	0.25	-	0.25	-
- Deferred Tax	6.33	37.70	6.33	37.70
<b>Profit/Loss After Tax</b>	<b>79.78</b>	<b>397.08</b>	<b>79.78</b>	<b>397.08</b>
Share Profit from Partnership Firm	-	-	27.39	-
<b>Net profit for the period</b>	<b>79.78</b>	<b>397.08</b>	<b>107.17</b>	<b>397.08</b>
<b>Earning Per Share</b>	<b>1.08</b>	<b>5.41</b>	<b>1.45</b>	<b>5.41</b>
<b>Diluted Earning Per Share</b>	<b>1.07</b>	<b>5.41</b>	<b>1.44</b>	<b>5.41</b>

### 2. DIVIDEND:

Your Directors are pleased to recommend a dividend of Rs. 0.50 per equity share for the financial year ended 31st March 2018. The dividend payout is subject to the approval of members at the ensuing 58th Annual General Meeting.

### 3. INCREASE IN SHARE CAPITAL:

#### i. PREFERENTIAL ISSUE;

During the year under review, Compulsory Convertible Preference Shares of the Company aggregating to Rs. 1,25,00,000/- were converted into 1,85,487 equity shares of Rs. 10/- each at a premium of Rs. 57.39 per share.

#### ii. BONUS ISSUE:

During the year under review, the Company issued Bonus Shares at the ratio of 1:1 and subsequently, the number of paid up equity share had been increased from 37,59,987 to 75,19,974 Equity Shares of Rs. 10/- each.

Authorized Capital of the Company has also increased from Rs. 10 Crores to Rs. 23 Crores.

The above issues as described above have been approved by the shareholders and the relevant statutory authorities.

### 4. COMPULSORILY CONVERTIBLE DEBENTURES:

Part of Inter Corporate Deposits amounting to Rs. 1,25,44,000/- were converted into Compulsorily Convertible Debentures on October 13, 2017. These CCD's would be converted into equity shares of Rs. 10/- each at a premium of Rs. 57.40 per share. The conversion would take place nine months after the issue of the CCD's but before 18 months of the issue.

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

Since no dividend is unclaimed for the period as required under section 125(2), the provisions of said section do not apply.

### 6. RESERVES:

During the period under review no amount is proposed to be carried to any reserve.

### 7. FUTURE PROSPECTS:

The Company currently is expecting a project under the aegis of the Slum Rehabilitation Authority to rehabilitate a slum in Bhandup which is in the eastern suburbs of Mumbai. The efforts of the Company have been well recognized and have come in for praise from neighboring slums who have approached the Company to look into their property as well. The Company sees tremendous potential in this line of activity. This effort by the Company is in line with the Government's scheme of housing for all by 2020. The activity of the company falls within the definition of affordable housing and there is tremendous scope in this sector which the Company hopes to cover.

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

No material changes and commitments affecting the financial position of the Company occurred during the financial year ended 31st March, 2018.

### 9. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

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

### 10. PUBLIC DEPOSITS:

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

### 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There is a mortgage created on the Land and Receivables of the company in favour of ICICI Bank Ltd against the term loans extended by them to Shree Swami Samarth Builders and Developers in which firm the company is a partner.

### 12. STATUTORY AUDITOR:

At the Annual General Meeting held on June 24, 2016, M/s. Bipin B Shah & Co., Chartered Accountants, ( Firm Registration No.101511W), were appointed as statutory auditors of the Company to hold office till the conclusion of the 60th Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013. However, vide MCA notification dated May 7, 2018, the requirement of yearly ratification by the shareholders at every General Meeting as per Sec. 139 of the Companies Act 2013 is dispensed with.

### 13. EXTRACT OF ANNUAL RETURN:

Extract of the annual return in Form No. MGT – 9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies

(Management and administration) Rules, is attached as Annexure I to the Boards Report.

**14. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR):**

The Company has not yield sufficient profit during last three years, hence the provisions of section 135 of the Companies Act, 2013 pertaining to CSR contribution is not applicable to the Company.

**15. CORPORATE GOVERNANCE:**

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

**Certificate on Corporate Governance**

As required by SEBI (LODR) Regulation, 2015, Certificate on Corporate Governance is attached as Annexure II to the Boards Report.

**16. BOARD OF DIRECTORS:**

**a. Composition of the Board:**

The composition of the Board is in conformity with Regulation 17 of the SEBI ( Listing Obligation and Disclosure Requirement) Regulations 2015 which, inter alia, stipulates that the Board should have an optimum combination of executive and non-executive directors with at least one woman director and at least 50% of the Board should consist independent directors, if the chairman of the board is an executive director. If the chairman is a non-executive director, 1/3rd of the Board should be independent directors.

As on 31st March, 2018 the Board comprised six Directors including one Woman Director and two independent Directors including the non-executive Chairman.

**b. Changes in Directors and Key Managerial Personnel:**

Ms. Anuja Dube, has been appointed as Company Secretary of the Company w.e.f. September 25, 2017 during the year under review.

**Reappointments**

As per Provision of Companies Act, 2013, Mr. Chetan R Shah, Promoter Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. The Board recommends his reappointment.

**c. Number of Board Meetings held during the year:**

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

May 29, 2017; August 10, 2017; September 12, 2017; November 08, 2017 and February 02, 2018.

**17. BOARD EVALUATION:**

The Performance Evaluation of all Directors was undertaken as per the prescribed standards. The Independent Directors of the company at their meeting held on February 19, 2018 have formalized the mode of carrying out such evaluation of all the directors for the year under review.

**18. BOARD COMMITTEES:**

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

Detailed particulars relating to the above Committees have been furnished in Corporate Governance for the year ended 31st March 2018.

**19. PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY:**

During the financial year, transactions that fall within the purview of Section 188 of the Companies Act, 2013 are shown under prescribed Form AOC - 2, attached as Annexure III to the Board's report.

**20. SECRETARIAL AUDIT REPORT:**

Secretarial Audit for the Financial year 2017-18 was conducted by a Practicing Company Secretary in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditor's Report is attached to this Report (Annexure IV).

**21. VIGIL MECHANISM:**

Vigil Mechanism policy has been introduced by the Board on the framework for reporting instances of unethical/improper conduct and action for suitable steps to investigate and correct the same.

**22. RISK MANAGEMENT POLICY:**

Risk Management Policy has been adopted by the Board to ensure sustainable growth by implementing a pro-active approach in reporting, evaluating and controlling / resolving risks associated with the business of the company. In order to achieve this, the Policy establishes a structured and disciplined approach to Risk Management, including the development of the risk areas, so as to guide decisions on risk related issues.

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

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

**24. DECLARATION FROM INDEPENDENT DIRECTORS:**

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

**25. DIRECTOR'S RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 states that: -

- i. in the preparation of the accounts for the year ended 31st March 2018, the applicable amended accounting standards have been followed;
- ii. appropriate accounting policies have been selected and applied consistently and reasonably so as to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the year under review, as at 31-3-2018;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the annual accounts for the year ended 31st March, 2018 have been prepared on the basis that the Company is "Going Concern".

## CITADEL REALTY AND DEVELOPERS LIMITED

- v. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi. the directors, in the case of listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

### 26. DISCLOSURE UNDER 134(3)(m) OF THE COMPANIES ACT, 2013:

The disclosure relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 is not applicable.

However, while developing the SRA Project and the sale of buildings the Company adopts basic environment friendly measures in its construction activities and endeavour to practice the sustainability measures to improve the livelihood of the society at large.

### 27. LISTING FEE:

The Annual Listing Fee for the Financial Year 2018-19 has been duly paid within the stipulated time to BSE Limited.

### 28. DEMATERIALIZATION OF SHARES:

Members are aware that the company's equity shares are under compulsory trading in dematerialized form for all categories of investors.

### 29. PARTICULARS OF EMPLOYEE:

The Company has no employee who receives remuneration to the extent provided in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2018.

#### Regd. Office:

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

#### Behalf of the Board of Directors

S. Ramamurthi  
Director & CEO  
DIN : 00135602

Chetan Shah  
Director  
DIN : 00135296

Place : Mumbai

Date : 8th May 2018

## Annexure 1

Form No. MGT - 9

## Extract of Annual Return

as on the Financial Year ended on 31st March, 2018

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014)

## I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L21010MH1960PLC011764
ii)	Registration Date	26th July, 1960
iii)	Name of the Company	Citadel Realty and Developers Limited
iv)	Category / Sub-Category of the Company	Public Limited Company
v)	Address of the Registered office and contact details	Marathon Futurex, N. M. Joshi Marg, Lower Parel Mumbai 400 013
vi)	Whether listed company Yes / No	Listed (BSE Limited)
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 1st floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai -400059.

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. no.	Name & Description of main	NIC Code of the Product / service products / services	% to total turnover of the company
1.	Real Estate & Construction	70	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. no.	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Marathon Realty Private Limited	U70100MH1994PTC084037	Holding	51.09	2(46)

## IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Share Holding as on 31st March, 2018

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2017)				No. of Shares held at the end of the year (31-03-2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) PROMOTERS</b>									
a) Individual / HUF	622900	0	622900	17.43	270000	0	270000	7.19	(10.24)
b) Central Govt.	0	0	0	0	0	0	0	0	Nil
c) State Govt.(s)	0	0	0	0	0	0	0	0	Nil
d) Bodies Corp.	947587	0	947587	26.51	2106369	0	2106369	56.02	29.51
e) Banks / FI	0	0	0	0	0	0	0	0	Nil
f) Any Other									
Directors relative	620395	0	620395	17.36	0	0	0	0	(17.36)
Sub-total									
<b>(A) (1):</b>	<b>2190882</b>	<b>0</b>	<b>2190882</b>	<b>61.29</b>	<b>2376369</b>	<b>0</b>	<b>2376369</b>	<b>63.20</b>	<b>1.91</b>

# CITADEL REALTY AND DEVELOPERS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2017)				No. of Shares held at the end of the year (31-03-2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(B) FOREIGN</b>									
a) NRIs - Individual	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total									
(A)(2):(B)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	<b>2190882</b>	<b>0</b>	<b>2190882</b>	<b>61.29</b>	<b>2376369</b>	<b>0</b>	<b>2376369</b>	<b>63.20</b>	<b>1.91</b>
<b>(B) PUBLIC SHAREHOLDING</b>									
<b>(1) Institution</b>	-	-	-	-	-	-	-	-	-
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	367	875	1242	0.03	367	875	1242	0.03	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total									
(B) (1)	<b>367</b>	<b>875</b>	<b>1242</b>	<b>0.03</b>	<b>367</b>	<b>875</b>	<b>1242</b>	<b>0.03</b>	<b>0</b>
<b>(2) Non – Institutions</b>	-	-	-	-	-	-	-	-	-
i) Indian	132154	0	132154	3.70	139343	0	139343	3.71	0.01
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals,									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	695264	300219	995483	27.84	624884	297296	922180	24.53	(3.31)
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	211171	0	211171	5.91	297348	0	297348	7.91	2
c) Others (specify)									
-Clearing Member	37357	0	37357	1.04	16450	0	16450	0.44	(0.6)
-NRI	790	196	986	0.03	1691	196	1887	0.05	0.02
-Trust	33	0	33	0.00	33	0	33	0.00	0
-NRI (Non-repat)	3615	0	3615	0.10	4225	0	4225	0.11	0.01
-Holding Co.	0	910	910	0.03	0	910	910	0.02	(0.01)
-NRI (Repat)	667	0	667	0.02	0	0	0	0	(0.02)
Sub-total									
(B) (2)	<b>1081051</b>	<b>301325</b>	<b>1382376</b>	<b>38.68</b>	<b>1083974</b>	<b>298402</b>	<b>1382376</b>	<b>36.77</b>	<b>(1.91)</b>
Total Public Shareholding (B) = (B) (1) + (B) (2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>3272300</b>	<b>302200</b>	<b>3574500</b>	<b>100</b>	<b>3460710</b>	<b>299277</b>	<b>3759987**</b>	<b>100</b>	<b>0</b>

\*\*During the year, Company had done Preferential allotment of 185487 Equity Shares, post Preferential allotment, the number of shares of the Company stood at 3759987.

## ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01-04-2017)			Shareholding at the end of the year (31-03-2018)			% change in during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1.	Marathon Realty Pvt.Ltd.	947,587	26.51	0	1920882	51.09	0	24.58
2.	Fibre Box Bombay Pvt. Ltd.	0	0	0	185487	4.93	0	4.93
3.	Mr.Chetan R.Shah	622,900	17.43	0	0	0	0	0
4.	Mr.Mayur R. Shah	620,395	17.35	0	0	0	0	0
5.	Ms. Sonal Mayur Shah	0	0	0	135000	3.59	0	3.59
6.	Ms. Shailaja Chetan Shah	0	0	0	135000	3.59	0	3.59

## iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year (01-04-2017)		Shareholding at the end of the year (31-03-2018)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	2190882	61.29	2190882	61.29
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (Preferential allotment.)	0	0	185487 (Increase)	4.93
	At the End of the year	2190882	61.29	2376369	63.20

## iv. Shareholding Pattern of top ten Shareholders (other than Director, Promoters and Holders of GDRs and ADRs):

Sr. No.	For each of top shareholders	Shareholding at the beginning of the year (01-04-2017)		Shareholding at the end of the year (31-03-2018)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Gandhi Securities & Investment Pvt. Ltd.	86745	2.43	86745	2.31
2	Mahendra A. Chheda	32145	0.90	72145	1.92
3	Bhupendra P. Shah (HUF)	54740	1.53	54765	1.46
4	Mahendra Girdharilal	46,958	1.31	46,958	1.25
5	Dipti Bharat Bhanushali	0	0	37274	0.99
6	Ravindra Vinayak Bhatvadekar	18,065	0.51	36226	0.96
7	Ashika Credit Capital Limited	0	0	27000	0.72
8	Bhanu Satishchandra Doshi	0	0	26790	0.71
9	Ravi Bhagirath Shah	17708	0.50	20442	0.54
10	Pratiksha Satishchandra Doshi	7586	0.21	18586	0.49

# CITADEL REALTY AND DEVELOPERS LIMITED

## v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year 01-04-2017		Shareholding at the end of the year 31-03-2018	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	At the beginning of the year Director- Chetan Shah Sonal M. Shah	6,22,900 0	17.36 0	6,22,900 135000	17.43 3.59
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (Transfer):	NIL	NIL	(6,22,900)	(17.43)
	At the End of the year	6,22,900	17.36	1,35,000	3.59
2.	KMP- Anuja Dube-CS	0	0	160	0

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

	Secured Loans excluding Deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	NIL	NIL	NIL	NIL
i. Principal Amount	-	-	-	-
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not paid	-	-	-	-
<b>Total of (i+ii+iii)</b>	-	-	-	-
<b>Change in the Indebtedness during the financial year</b>	NIL	NIL	NIL	NIL
• Additions	-	-	-	-
• Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	NIL	NIL	NIL	NIL
iv. Principal Amount	-	-	-	-
v. Interest due but not paid	-	-	-	-
vi. Interest accrued but not due	-	-	-	-
Total of (i+ii+iii)	-	-	-	-

## VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole Time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount in Lakhs
1.	<b>Gross Salary</b> (a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961 (b) value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961					
		NOT APPLICABLE				
2.	Stock Option	0	0	0	0	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission					
	- as % of profit - others, specify	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
	Total (A)	0	0	0	0	0
	Ceiling as per the Act	0	0	0	0	0

## B. Remuneration to Other Directors

Sr No.	Particulars of Remuneration	Name of Directors						Total Amount in Lakhs
		Mr.V. Ranganathan	Mr.Chetan R. Shah	Mr.S. Ramamurthi	Mrs.Sonal M. Shah	Mr.Nilesh D. Dand	Mr. Devendra Shrimanker	
1.	<b>INDEPENDENT DIRECTORS</b>							
	• Fee for attending board / committee meetings	1,90,000					2,00,000	3,90,000
	• Commission	0					0	0
	• Others, please specify	0					0	0
	<b>Total (1)</b>	<b>1,90,000</b>	-	-	-	-	<b>2,00,000</b>	<b>3,90,000</b>
2.	Other Non-Executive /Executive Directors		90,000	2,20,000	70,000	1,30,000		5,10,000
	• Fee for attending board / committee meetings							
	• Commission							
	• Others, please specify							
	<b>Total (2)</b>	<b>0</b>	<b>90,000</b>	<b>2,20,000</b>	<b>70,000</b>	<b>1,30,000</b>	<b>0</b>	<b>5,10,000</b>
	<b>Total (B) = (1+2)</b>							<b>9,00,000</b>
	Total Managerial Remuneration	0	0	0	0	0	0	0
	Overall Ceiling as per the Act	0	0	0	0	0	0	0

# CITADEL REALTY AND DEVELOPERS LIMITED

## C. Remuneration to Key Managerial Personnel other than MD/MANAGER/ WTD

Sr No.	Particulars of Remuneration	Name of Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	<b>Gross salary</b> (a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961 (b) Value of perquisites u/s. 17 (2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify				
5.	Others, please specify				
	Total				

Note: The above KMPs drew their remuneration from another Company within Marathon Group.

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / . Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
<b>B. Directors</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
<b>C. Other Officers in default</b>					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

**Annexure II**  
**CERTIFICATES ON CORPORATE GOVERNANCE**  
**TO THE MEMBERS OF**  
**CITADEL REALTY AND DEVELOPERS LIMITED**

I have examined the compliance of the conditions of Corporate Governance by Citadel Realty & Developers Limited (“the Company”) for the year ended 31st March, 2018 as stipulated in and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

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

Sd/-

Nitin Joshi

Practicing Company Secretary

FCS No: 3137

PCS No: 1884

Place: Mumbai

Date: May 08,2018

**Annexure III**  
**AOC-2**

**[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]**

- 1) There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2018, which were not at arm's length basis.
- 2) **Details of contracts or arrangement or transactions at arm's length basis:**

SL. No.	Name(s) of the related party and	Nature of relationship /transactions	Nature of contracts/ arrangements	Duration of the contracts/ /transactions	Salient terms	Date(s) of approval by the Board	Amount paid as advances, if any
1	Shree Swami Samarth Builders and Developers (SSSBD)	Associate	a. Expenses reimbursed b. Advances given/repaid c. Interest received	Not applicable	Servicing of Project Advances Loan at actual	02.02.2018	-
2	Marathon Realty Pvt. Ltd. (Promoter Group Company)	Holding Company	a. Expenses reimbursed b. Advances given/repaid c. Interest received d. Rental Expenses	Not applicable	Servicing of Project Advances loan and Interest receipts- Rent payable for premises utilized by the Company	02.02.2018	-

## Annexure IV

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

To

The Members,

The Citadel Realty & Developers Limited.

Marathon Futurex, N.M.Joshi Marg,

Lower Parel, Mumbai 400 013.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Citadel Realty & Developers Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31,2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, and in the manner reported hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz :
  - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The SEBI(Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit Period)
  - (e) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)

- (f) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The SEBI (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period) and
  - (h) The SEBI (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)
- (vi) The Management has identified and confirmed the following laws as specifically applicable to the Company:
- (a) The Real Estate (Regulation and Development) Act,2016;
  - (b) The Maharashtra Ownership Flats (Regulation and Promotion of Construction, Sale, Management, Transfer) Act 1963 and its Rules;
  - (c) The Maharashtra Apartment Ownership Act 1970;
  - (d) Building & other construction Workers welfare cess Act 1996;
  - (e) Development Control Regulations 2034 as updated.
  - (f) Maharashtra Town Planning Act-1974;
  - (g) Environment Protection Act 1996;
  - (h) Maharashtra State Goods and Services Tax Act- 2017(GST)

**I further report that** for the compliance of Labour Laws and other General Laws, my examination and reporting is based on the documents, records as produced and shown to me and the information and explanation as provided, by the officers and management of the Company of the applicability of the different enactments upon the Company, in my opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General Laws and Labour Laws.

**I further report that** the Company has complied with the applicable clauses/regulations of the following:

- (i) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.;
- (ii) The Equity Listing Agreement, to the extent applicable, entered in to by Company with BSE Limited; and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) Whereas in terms of the provisions of Section 203 of the Companies Act,2013, the Company is required to have certain Key Managerial Personnel(KMP). The Company is yet to appoint a Chief Financial Officer (CFO) in terms of the above provisions.
- (ii) Whereas in terms of provisions of Section 178(1) of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its powers) Rules,2014 the Company is required to constitute a Nomination & Remuneration Committee consisting three or more non-executive directors; the constitution of said Committee is not in line with the above provisions.

#### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance

with the provisions of the Act except that Form DIR 12 was filed after 30 days from the date of resignation of Mr. V Nagrajan as Independent Director. Whereas this form is filed with late fees, this should be reported as compliance by reference of payment of additional fees.

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

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

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that during the audit period;**

- i. The Company has considered variation of rights, terms and conditions of redeemable Preference shares and conversion of 0% compulsory convertible Preference shares by issuance of Equity Shares by way of preferential allotment, vide Special Resolution passed by Members through Postal Ballot.
- ii. The Company has restructured existing inter-corporate deposits, partly, by issuance of Compulsorily Convertible Debentures (CCD) vide Special Resolution passed by Members through Postal Ballot.
- iii. The Company has issued the Bonus Shares, in the proportion of 1(One) equity share of Rs. 10/- each fully paid up for every 1 (One) existing equity share of Rs.10/-each held by shareholders vide Ordinary Resolution passed by Members through Postal Ballot.

Place: Mumbai

(NITIN R. JOSHI)

Date: May 08,2018

FCS No. 3137 C.P. No 1884

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

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

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

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

Place: Mumbai  
Date: May 08,2018

(NITIN R. JOSHI)  
FCS No. 3137 C.P. No 1884

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED  
31ST MARCH, 2018.**

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :**

Comprehensive guidelines, policies and procedures have been formulated by the Board in support of the Group's corporate governance framework including the "Director's Manual", "Corporate Governance Manual", "Guidelines on Internal Control System", "Corporate Policy on Staff Responsibility", "Whistleblowing Policy", "Disclosure Policy on Inside Information", and the terms of reference for various board committees. These documents are reviewed regularly by the Board and the relevant board committees and are updated in line with the amendments of applicable legislations and rules as well as the current market practices.

The Company has complied with all the applicable provisions of the Corporate Governance as stated in the SEBI (LODR) Regulations, 2015.

**The Board**

The primary role of the Board is to protect and enhance long-term shareholder value. It sets the overall strategy for the Group and supervises executive management. It also ensures that good corporate governance policies and practices are implemented within the Group. In the course of discharging its duties, the Board acts in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

The Board comprises six of Directors .Updated director details are available on the Company's website. Day-to-day operation of the businesses is delegated to the management of the company. They are being closely monitored by the Board and are accountable for the performance of the Company as measured against the corporate goals and business targets set by the Board.

The Company provides background information about its history, mission and businesses to its directors. Directors are also invited to visit the Group's operational facilities from time to time and to meet with the management for gaining better understanding of business operations of the Group. Furthermore, the Board has separate and independent access to the senior management at all times. With prior request to the CEO, the Board is given access to independent professional advice any time when it thinks appropriate. Appropriate liability insurance for directors has been arranged for indemnifying their liabilities arising out of corporate activities. This insurance coverage is reviewed on an annual basis. The posts of Chairman and Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of the Company are separate to ensure a clear distinction between the Chairman's responsibility to manage the Board and the Executive Officers responsibility to manage the Company's business.

**2. BOARD OF DIRECTORS :**

**Composition:**

The present strength of the Board of Directors is six Directors and complies with the requirement of SEBI (LODR) Regulations, 2015.

Five Board meetings were held during the year ended March 31, 2018. These were held on May 29, 2017, August 10, 2017, September 12, 2017, November 08, 2017 and February 02, 2018. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards.

Further all Directors have informed about their Directorships, Committee Memberships/ Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on March 31, 2018 are given below:

**Number of Board Meetings held during the year ended 31st March 2018 and other details:**

Name of Director	Designation & Category of Directorship	Attendance Particulars			Directorship in other companies including private companies in India.	No. of Committee in which Chairman/ Member (other than Citadel Realty and Developers Limited)	
		No. of Board meetings held	No. of Board Meeting attended	Attendance at the last AGM		Member	Chairman
Mr. V.Ranganathan	Non-Executive - Independent Director and Chairman of the Board	5	4	Yes	1	0	3
Mr. S.Ramamurthi	Executive -Director and CEO	5	5	Yes	1	1	0
Mr.Nilesh Dand	Executive Director and CFO	5	5	Yes	4	0	0
Mr.Chetan R. Shah	Non-Executive - Promoter Director	5	5	Yes	18	2	0
Mrs.Sonal M.Shah	Non-Executive- Promoter Director	5	5	Yes	3	0	0
*Mr. Devendra Shrimanker	Non-Executive Independent Director	5	5	Yes	4	0	0

\*Mr. Devendra Shrimanker was appointed as an Independent Director on May 29, 2017.

# CITADEL REALTY AND DEVELOPERS LIMITED

## NO. OF SHARES HELD BY NON-EXECUTIVE DIRECTORS AS ON 31ST MARCH, 2018

NAME OF DIRECTORS	NO. OF SHARES HELD
Mrs.Sonal M. Shah	1,35,000
Mr. V. Ranganathan	Nil
Mr. Chetan R. Shah	Nil
Mr. Devendra Shirmanker	Nil

Committee of Directors includes Audit Committee, Shareholders / Investors' Grievances, Share Transfer Committee and Remuneration Committee of the company.

The Particulars of Directors who are proposed to be reappointed at the ensuing Annual General Meeting are given below:

**1. Mr. Chetan Shah (DIN. 00135296)**- Mr. Chetan Shah, Non-Executive Director & Promoter of the Company retire at this AGM, being eligible offer himself for reappointment. His brief profile is as follows:

Name of Director	Mr. Chetan Shah
Date of Birth	13-03-1956
Date of Appointment	14-01-2010
Qualification	B. Tech Civil Engineering from IIT Bombay and M.S. Structural Engineering from the University of Houston, USA.
Expertise in specific functional areas	Construction of Residential, Commercial and Industrial Buildings, responsible for implementing projects in Mumbai.
Other Companies in which Directorship held	<ol style="list-style-type: none"> <li>1. Citadel Realty And Developers Limited</li> <li>2. Columbia Chrome (India) Private Limited</li> <li>3. Cornell Housing And Infrastructure Pvt. Ltd.</li> <li>3. Lark Consultancy Pvt Ltd</li> <li>4. Marathon It Infrastructure Private Limited</li> <li>5. Matrix Water Management Private Limited</li> <li>6. Matrix Waste Management Private Limited</li> <li>7. Matrix Enclaves Projects Developments Pvt. Ltd</li> <li>8. Marathon Fiscal Private Limited</li> <li>9. Matrix Fiscal Private Limited</li> <li>10. Marathon Panvel Infrastructures Private Limited</li> <li>11. Marathon Realty Private Limited</li> <li>12. Marathon Nextgen Realty Limited</li> <li>13. Nexzone Utilities Private Limited</li> <li>14. Nextgen Buildcon Private Limited</li> <li>15. Nexzone Fiscal Services Private Limited</li> <li>16. Nexzone Land Private Limited</li> <li>17. Svarnim Enterprises Private Limited</li> <li>18. Terrapolis Assets Private Limited</li> </ol>
Other Public Companies in which membership of Committees of Directors held	Marathon Nextgen Realty Limited
No. of shares held as on 31.03.2018	Nil

**2. Mr. Nilesh Dand (DIN. 00199785)**- Mr. Nilesh Dand, Director of the Company, proposed to be appointed as CFO of the Company, his brief profile is as follows:

Name of Director	Mr. Nilesh Dand
Date of Birth	09-01-1978
Qualification	B. com, Chartered Accountant
Expertise in specific functional areas	Rich experience in the field of finance, administration & accountancy.
Other Companies in which Directorship held	Nextgen Buildcon Private Limited Vinotak Investment Pvt. Ltd. Hariyali Estate Private Limited Ithaca Informatics Private Limited
Other Public Companies in which membership of Committees of Directors held	-
No.of shares held as on 31.3.2018	Nil

The Nomination & Remuneration Committee of Directors at their Meeting held on May 08, 2018 had recommended to the Board for appointment of Mr. Nilesh Dand as CFO of the Company.

### Performance evaluation criteria for Independent Directors:

The evaluation of IDs has been done by the entire Board of Directors, excluding the director being evaluated. The Board will keep in view the report of performance evaluation while determining the suitability of extending or continuing the term of appointment of the IDs.

### Directors' Familiarization Programme:

"Marathon Group" as a whole conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and its operations so as to gain a clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company.

The Company has undertaken a Familiarization programme for Directors on March 08, 2018. The Directors have met at the "Monte South" , Byculla and a detailed presentation was made about the ongoing projects. The procedures and the process of the execution of the projects were explained to them. Later, the Directors were accompanied to the Project site to get familiarize themselves on the actual activities. The feedback received from them were noted by the Management. Web link of the Company regarding the familiarization programmes imparted is <http://www.citadelrealty.in>

The Company holds Board Meetings at its registered office and also in other locations within Mumbai. The Directors periodically review the various businesses of the Company, in the context of the industry scenario, competitive environment and regulatory framework.

### 3. AUDIT COMMITTEE:

#### Terms of Reference:

The terms of reference of this committee are wide enough, covering matters specified for Audit Committees under the Section 177 (4) of Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of SEBI (LODR) Regulations, 2015 which includes reviewing with the management, the quarterly financial statements before submission to the board for approval, related party transactions, vigil mechanism process.

As on March 31, 2018, the Audit Committee comprises of Members

as stated below. The composition of the Committee is in conformity with the Listing Regulations and Companies Act, 2013. During the year under review, the Audit Committee met five times; on May 29, 2017, August 10, 2017, September 12, 2017, November 08, 2017 and February 02, 2018. The time gap between any two meetings was less than 120 days.

The details of attendance of Members is as under:

Name	Designation	Executive/Non-Executive /Independent	Committee Meeting held	Committee Meeting attended
Mr. V. Ranganathan	Chairman	Non-Executive Independent Director	5	4
Mr. Devendra Shrimanker	Member	Non-Executive Independent Director	5	5
Mr. S. Ramamurthi	Member	Executive Director & CEO	5	5

**4. NOMINATION AND REMUNERATION COMMITTEE :**

The terms of reference of this committee are wide enough, covering matters specified for Nomination Remuneration Committee under the Section 178 (2) of Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015. As on March 31, 2018, the Nomination and Remuneration Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations and Companies Act , 2013 i.e., there are three Directors. More than fifty percent of the Directors are Independent Directors.

The following is the composition of Nomination & Remuneration Committee of Directors.

Name	Category	Position
Mr. V. Ranganathan	Non- Executive – Independent Director	Chairman
Mr. Devendra Shrimanker	Non- Executive – Independent Director	Member
Mr. S. Ramamurthi	Executive – Director	Member

The Committee deals with matters relating:

- to matters to be dealt with and recommended by the Committee to the Board;
- the appointment/removal and nomination Directors and
- recommendation of remuneration and perquisites, etc.

**Performance evaluation criteria for Independent Directors:**

The evaluation of IDs has been done by the entire Board of Directors, excluding the director being evaluated. The Board will keep in view the report of performance evaluation while determining the suitability of extending or continuing the term of appointment of the IDs.

**5. REMUNERATION TO DIRECTORS-**

The details of payments of sitting fees paid to Non-Executive Directors/Executive Directors during the year are given below:

Sr. No.	Particulars	Fees paid during the year (in INR)
1	Mr. Devendra Shrimankar	2,00,000
2	Mr. Nilesh Dand	1,30,000
3	Mrs. Sonal Shah	70,000
4	Mr. S.Ramamurthi	2,20,000
5	Mr. V.Ranganathan	1,90,000
6	Mr. Chetan Shah	90,000

**6. i) SHARE TRANSFER COMMITTEE :**

The Committee comprises of Mr. S. Ramamurthi as Chairman and Mr. Nilesh Dand as the member of the Committee.

The Committee deals with matters relating to transfer of shares, transmission of shares, issue of duplicate share certificates, demat, deletion of members name on death, investor grievance, etc. During the year under review, the Committee met five times; on June 02, 2017, August 04, 2017, December 30, 2017, January 06, 2018 and March 23, 2018.

The details of attendance of Members are as under:

Name	Designation	Executive/Non-Executive /Independent	Committee Meeting held	Committee Meeting attended
Mr. S. Ramamurthi	Chairman	Executive Director & CEO	5	5
Mr. Nilesh Dand	Member	Executive Director & CFO	5	5

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## ii) STAKEHOLDERS GRIEVANCE COMMITTEE:

**Name of non-executive Director heading the committee** -As on March 31, 2018 the Stakeholders` Relationship Committee consists of Members as stated below.

Name	Category	Position
Mr. V. Ranganathan	Non- Executive Independent Director	Chairman
Mr. Nilesh Dand	Executive Director	Member
Mr. S. Ramamurthi	Executive Director	Member

**Name of Compliance officer:-**Ms. Anuja Dube, the Company Secretary and Compliance Officer of the Company. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors` grievances. The Committee specifically looks into redressing shareholders`/investors` complaints/ grievances pertaining to share transfers, non-receipts of annual reports, and other allied complaints.

### Status of Investor Complaints during the Financial Year ended 31st March 2018 :

Number of Complaints	Nil
Pending at the beginning of the year	Nil
Received during the year	1
Disposed off during the year	1
Remaining unresolved at the end of the year	Nil

## 7. GENERAL BODY MEETINGS :

Details of the location of the last three AGM and the details of the resolutions passed.

Year	Location	Date	Time	Special Resolutions
2016-2017	Walchand Hirachand Hall, 4th Floor, IMC, Churchgate, Mumbai-400020	10-08-2017	3.30 p.m.	Nil
2015-2016	Kilachand Conference Room 2nd floor, Indian Merchant Chambers, Churchgate Mumbai 400020	24-06-2016	11.30 a.m.	Nil
2014-2015	Kilachand Conference Room 2nd floor, Indian Merchant Chambers, Churchgate Mumbai 400020	14-08-2015	12.30 a.m.	Nil

### Details of Postal Ballot:

A. Purpose: 1. Alteration of Memorandum of Association 2. Variation of rights, terms and conditions of the Redeemable Preference Shares and conversion of 0% Compulsorily Convertible Preference Shares by issuance of equity shares by way of Preferential Allotment and Restructuring of existing Inter Corporate Deposits of the Company - Notice dated September 12, 2017.

Person who conducted the Postal Ballot exercise: Mr. Nitin R Joshi, Practicing CS.

Procedure for Postal Ballot: Proper procedure followed .

### Voting Results of Postal Ballot Process:

Date of the AGM / EGM / Postal Ballot (Result)	13/10/2017
Total number of Shareholders on record date	3436
No. of shareholders present in the meeting either in person or through proxy: Promoters & Promoter Group Public	N/A
No. of shareholders present in the meeting video conferencing: Promoters & Promoter Group Public	N/A

Agenda-wise disclosure: (Reg .44 of SEBI(LODR) Regulations 2015)

**Agenda No-1- To consider Alteration of memorandum & Articles of Association**

Resolution Required:(Ordinary /Special)-						Special		
Whether promoter/promoter are interested in the agenda/resolution?-						No		
Category		No of Shares Held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No of Votes-in Favour	No of Votes Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
<b>Promoter &amp; promoter group</b>	<b>E-voting</b>	2,190,882	0	0	0	0	0	0
	<b>Poll</b>	2,190,882	0	0	0	0	0	0
	<b>Postal ballot</b>	2,190,882	2,190,882	100	2,190,882	0	100	0
	<b>Total</b>	2,190,882	2,190,882	100	2,190,882	0	100	0
<b>Public institution</b>	<b>E-voting</b>	1,242	0	0	0	0	0	0
	<b>Poll</b>	1,242	0	0	0	0	0	0
	<b>Postal ballot</b>	1,242	0	0	0	0	0	0
	<b>Total</b>	1,242	0	0	0	0	0	0
<b>Public non institution</b>	<b>E-voting</b>	1,382,376	6,230	0.451	6,227	3	99.952	0.048
	<b>Poll</b>	1,382,376	0	0	0	0	0	0
	<b>Postal ballot</b>	1,382,376	0	0	0	0	0	0
	<b>Total</b>	1,382,376	6,230	0.451	6,227	3	99.952	0.048
<b>Total</b>		3,574,500	2,197,112	61.466	2,197,109	3	100	0.096

**Agenda No-2 -To consider variation of rights, terms and conditions of the Redeemable Preference Shares and Conversion of 0% Compulsorily Convertible Preference Shares by issuance of Equity Shares by way of Preferential Allotment.**

Resolution Required:(Ordinary /Special)-						Special		
Whether promoter/promoter are interested in the agenda/resolution?-						Yes		
Category		No of Shares Held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No of Votes-in Favour	No of Votes Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
<b>Promoter &amp; promoter group</b>	<b>E-voting</b>	2,190,882	0	0	0	0	0	0
	<b>Poll</b>	2,190,882	0	0	0	0	0	0
	<b>Postal ballot</b>	2,190,882	0	0	0	0	0	0
	<b>Total</b>	2,190,882	0	0	0	0	0	0
<b>Public institution</b>	<b>E-voting</b>	1,242	0	0	0	0	0	0
	<b>Poll</b>	1,242	0	0	0	0	0	0
	<b>Postal ballot</b>	1,242	0	0	0	0	0	0
	<b>Total</b>	1,242	0	0	0	0	0	0
<b>Public non institution</b>	<b>E-voting</b>	1,382,376	6,294	0.455	6,265	29	99.539	0.461
	<b>Poll</b>	1,382,376	0	0	0	0	0	0
	<b>Postal ballot</b>	1,382,376	0	0	0	0	0	0
	<b>Total</b>	1,382,376	6,294	0.455	6,265	29	99.539	0.461
<b>Total</b>		3,574,500	6,294	0.176	6,265	29	99.539	0.461

# CITADEL REALTY AND DEVELOPERS LIMITED

## Agenda No-3- Restructuring of existing Inter Corporate Deposits of the Company.

Resolution Required:(Ordinary /Special)-						Special		
Whether promoter/promoter are interested in the agenda/resolution?-						Yes		
Category		No of Shares Held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No of Votes-in Favour	No of Votes Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
<b>Promoter &amp; promoter group</b>	<b>E-voting</b>	2,190,882	0	0	0	0	0	0
	<b>Poll</b>	2,190,882	0	0	0	0	0	0
	<b>Postal ballot</b>	2,190,882	0	0	0	0	0	0
	<b>Total</b>	2,190,882	0	0	0	0	0	0
<b>Public institution</b>	<b>E-voting</b>	1,242	0	0	0	0	0	0
	<b>Poll</b>	1,242	0	0	0	0	0	0
	<b>Postal ballot</b>	1,242	0	0	0	0	0	0
	<b>Total</b>	1,242	0	0	0	0	0	0
<b>Public non institution</b>	<b>E-voting</b>	1,382,376	6,294	0.455	6,265	29	99.539	0.461
	<b>Poll</b>	1,382,376	0	0	0	0	0	0
	<b>Postal ballot</b>	1,382,376	0	0	0	0	0	0
	<b>Total</b>	1,382,376	6,294	0.455	6,265	29	99.539	0.461
<b>Total</b>		3,574,500	6,294	0.176	6,265	29	99.539	0.461

B. Purpose: 1. Increase in Authorized Capital of the Company and consequent amendment to Memorandum of Association and Issue of Bonus Shares-Notice dated February 02, 2018.

Person who conducted the Postal Ballot exercise: Mr. Nitin R Joshi, Practicing Company Secretary.

**Procedure for Postal Ballot: Proper procedure followed.**

### Voting Results of Postal Ballot Process:

Date of the AGM/EGM Postal Ballot (Result)	14/03/2018
Total number of Shareholders on record date	3433
No. of shareholders present in the meeting either in person or through proxy: Promoters & Promoter Group Public	N/A
No. of shareholders present in the meeting video conferencing: Promoters & Promoter Group Public	N/A

Agenda-wise disclosure: (Reg .44 of SEBI(LODR) Regulations 2015)

**Agenda No-1- Increase in Authorized Capital of the Company and consequent amendment to Memorandum of Association**

Resolution Required:(Ordinary /Special)-						Ordinary		
Whether promoter/promoter are interested in the agenda/resolution?-						No		
Category		No of Shares Held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No of Votes-in Favour	No of Votes Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
		(1)	(2)	(3)=[(2)/ (1)]*100	(4)	(5)	(6)=[(4)/ (2)]*100	(7)=[(5)/ (2)]*100
<b>Promoter &amp; promoter group</b>	<b>E-voting</b>	2,376,369	1,133,074	47.681	1,133,074	0	100	0
	<b>Poll</b>	2,376,369	0	0	0	0	0	0
	<b>Postal ballot</b>	2,376,369	1,243,295	52.319	1,243,295	0	100	0
	<b>Total</b>	2,376,369	2,376,369	100	2,376,369	0	100	0
<b>Public institution</b>	<b>E-voting</b>	1,242	0	0	0	0	0	0
	<b>Poll</b>	1,242	0	0	0	0	0	0
	<b>Postal ballot</b>	1,242	0	0	0	0	0	0
	<b>Total</b>	1,242	0	0	0	0	0	0
<b>Public non institution</b>	<b>E-voting</b>	1,382,376	5,399	0.391	5,372	27	99.5	0.5
	<b>Poll</b>	1,382,376	0	0	0	0	0	0
	<b>Postal ballot</b>	1,382,376	3,523	0.255	3,515	8	99.773	0.227
	<b>Total</b>	1,382,376	8,922	0.645	8,887	35	99.608	0.392
<b>Total</b>		3,759,987	2,385,291	63.439	2,385,256	35	99.999	0.001

**Agenda No-2- Issue of Bonus shares**

Resolution Required:(Ordinary /Special)-						Ordinary		
Whether promoter/promoter are interested in the agenda/resolution?-						No		
Category		No of Shares Held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No of Votes-in Favour	No of Votes Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
		(1)	(2)	(3)=[(2)/ (1)]*100	(4)	(5)	(6)=[(4)/ (2)]*100	(7)=[(5)/ (2)]*100
<b>Promoter &amp; promoter group</b>	<b>E-voting</b>	2,376,369	1,133,074	47.681	1,133,074	0	100	0
	<b>Poll</b>	2,376,369	0	0	0	0	0	0
	<b>Postal ballot</b>	2,376,369	1,243,295	52.319	1,243,295	0	100	0
	<b>Total</b>	2,376,369	2,376,369	100	2,376,369	0	100	0
<b>Public institution</b>	<b>E-voting</b>	1,242	0	0	0	0	0	0
	<b>Poll</b>	1,242	0	0	0	0	0	0
	<b>Postal ballot</b>	1,242	0	0	0	0	0	0
	<b>Total</b>	1,242	0	0	0	0	0	0
<b>Public non institution</b>	<b>E-voting</b>	1,382,376	5,396	0.39	5,369	27	99.5	0.5
	<b>Poll</b>	1,382,376	0	0	0	0	0	0
	<b>Postal ballot</b>	1,382,376	3,531	0.255	3,531	0	100	0
	<b>Total</b>	1,382,376	8,927	0.646	8,900	27	99.698	0.302
<b>Total</b>		3,759,987	2,385,296	63.439	2,385,269	27	99.999	0.001

**8. MEANS OF COMMUNICATION :**

The quarterly and half-yearly results are regularly submitted to the Stock Exchanges in accordance with the Listing regulations and are published in one English daily newspaper i.e. 'Business Standard' and one vernacular daily news paper i.e. 'Lakshadweep' having adequate circulation.

# CITADEL REALTY AND DEVELOPERS LIMITED

## 9. GENERAL SHAREHOLDER INFORMATION :

### Company Registration Details :

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L21010MH1960PLC011764 having registered office address: Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400013 and the Copr. office is at 7th Floor, Marathon Max, Mulund-Goregaon Link Road, Mulund (w), Mumbai 400 080.

### FIFTY-EIGHTH ANNUAL GENERAL MEETING:

Date and Time:	03-08- 2018 at 4.00 p.m.
Venue	Kilachand Conference Room 2nd floor, Indian Merchant Chambers, Churchgate, Mumbai 400020
Financial Year	1st April 2017 to 31st March 2018
Date of book closure	July 27, 2018 to August 3, 2018 (both days inclusive)
Dividend payment date(s)	Before 30 days of After 5 days of declaration approval of by shareholders at the General Meeting
Listing on stock exchange(s)	BSE Limited
Stock code	502445
Demat ISIN Number for	INE906D01014 NSDL & CDSL

### Market Price Data :

The High & Low price, during each month in the last financial year, of the Company's shares and BSE SENSEX is as follows :

Period	COMPANY'S SHARES		SENSEX		
	High	Low	High	Low	Close
Apr-17	72.45	40.75	30,184.22	29,241.48	29,918.40
May-17	72.55	58.25	31,255.28	29,804.12	31,145.80
Jun-17	75.1	63.75	31,522.87	30,680.66	30,921.61
Jul-17	68.7	51	32,672.66	31,017.11	32,514.94
Aug-17	59.95	43.55	32,686.48	31,128.02	31,730.49
Sep-17	60.4	49.2	32,524.11	31,081.83	31,283.72
Oct-17	57.6	44.85	33,340.17	31,440.48	33,213.13
Nov-17	74.45	52.4	33,865.95	32,683.59	33,149.35
Dec-17	82.4	72.25	34,137.97	32,565.16	34,056.83
Jan-18	95	78.5	36,443.98	33,703.37	35,965.02
Feb-18	90.45	72.1	36,256.83	33,482.81	34,184.04
Mar-18	87.85	36.45	34,278.63	32,483.84	32,968.68

### Registrar of Transfer Agents

Bigshare Services Pvt. Ltd.  
Bharat Tin Works Building, 1st Floor , Opp. Vasant Oasis,  
Next to Keys Hotel Makwana Road, Andheri East ,Mumbai – 400059.  
Website :www.bigshareonline.com

### Share Transfer system

All the share transfers received are Processed and approved by the Share Transfer Committee which normally meets once in a month.

### Distribution of Shareholding and Shareholding Pattern as on 31st March 2018

Category (Shareholding of Nominal Rs.)	No. of shareholders	%	No. of shares	Amt (Rs.)	%
1-5000	3181	90.27	400885	40,08,850	10.66
5001-10000	187	5.31	139366	13,93,660	3.71
10001-20000	74	2.10	104199	10,41,990	2.77
20001-30000	26	0.74	66584	6,65,840	1.77
30001-40000	17	0.48	59120	5,91,200	1.57
40001-50000	5	0.14	22645	2,26,450	0.60
50001-100000	14	0.40	93482	9,34,820	2.49
100001-999999999	20	0.57	2873706	2,87,37,060	76.43
<b>Total</b>	<b>3524</b>	<b>100.00</b>	<b>3759987</b>	<b>3,75,99,870</b>	<b>100.00</b>

\*\*The Bonus Shares allotted on March 28, 2018 issued at the ratio of 1:1 is not reflected in the above ,as the trading approval received from BSE on April 02, 2018.s Hotel Makwana

**Dematerialization of shares and Liquidity as on 31.3.2018 :-**

As on March 31, 2018, 91.60% of shareholding was held in dematerialized form with NSDL and CDSL, while 8.40 % was held in physical form. The detailed data are as follows:

Categories	Physical	%	Demat	%	Total	%
Promoters	0	0.00	23,76,369	63.20	23,76,369	63.20
Bodies Corporate	910	0.02	1,39,343	3.71	1,40,253	3.73
Nationalized Banks	875	0.02	367	0.01	1242	0.03
NRI's	196	0.01	5916	0.16	6112	0.16
Trust	0	0.00	33	0.00	33	0.00
clearing Member	16,450	0.44	0	0.00	16,450	0.44
Public	2,97,296	7.91	9,22,232	24.53	12,19,528	32.43
Total	3,15,727	8.40	34,44,260	91.60	37,59,987	100.00

\*\*\*\* The Bonus Shares allotted on March 28,2018 at the ratio of 1:1 is not reflected in the above ,as the trading approval received from BSE on April 02, 2018.

**Categories of Shareholders as on 31st March 2018:**

Categories	No. of Shareholders	%	Total shares	%
Promoters	4	0.11	2376369	63.20
Bodies Corporate	53	1.50	140253	3.73
Nationalized Banks	6	0.17	1242	0.03
NRI's	18	0.51	6112	0.16
Trust	1	0.03	33	0.00
clearing Member	21	0.60	16450	0.44
Public	3421	97.08	1219528	32.43
Total	3524	100.00	3759987	100.00

\*\*The Bonus Shares allotted on March 28,2018 at the ratio of 1:1 is not reflected in the above ,as the trading approval received from BSE on April 02, 2018.

**Variation in Market Capitalization: (Amount in Lakhs)**

	As at March 31, 2018	As at March 31, 2017	Increase /(decrease) in %
<b>Market capitalization</b>	<b>2789.91</b>	<b>1358.31</b>	<b>105.40% ↑</b>

**Note.: 1. The No. of Equity Shares for the year 2018 is 75199744 as compared to 3574500 year 2017.**

**Details of Outstanding Convertible Security & impact on equity:**

**Details of Outstanding Convertible Security:** During the year under review the Company has issued unlisted Compulsory Convertible Debenture (CCD) 12544 of Rs. 1000 each which will be converted into 1,86,112 Equity Shares of Rs. 10/- each at premium of Rs. 57.40/-. Recently, Company had done Bonus issue, as per the Regulation 93 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, Bonus Shares have been reserved and "set aside" to the holder of "Convertible Debt Instrument" of the Company and the said shares shall be allotted in favour of the holder upon exercising the convertible clause of the said convertible debt instrument as per the terms of issue.

- Conversion date:** After 9 months from the date of issue of such CCD and not exceeding 18 months.
- Impact on equity:** The liquidity of the listed Equity Shares of the company would increase post conversion.

**Address for Correspondence: Citadel Realty and Developers Limited**

**Corporate office address:**

702, Marathon Max  
Junction.of Mulund-Goregaon Link Rd.,  
Mulund (W), Mumbai 400080  
Ph. 022-67728484, Fax.:022-67728408  
website :www.citadelrealty.in  
Email:citadel@marathonrealty.com

# CITADEL REALTY AND DEVELOPERS LIMITED

## Registered Address:

Marathon Futurex, N.M. Joshi Marg,  
Lower Parel, Mumbai 400013.  
Ph. 022-67728484, Fax.:022-67728408  
website :www.citadelrealty.in  
Email:citadel@marathonrealty.com

## 10. OTHER DISCLOSURES :

### Related Party transactions:

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors, or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large :

- (i) Transactions with the related parties are disclosed in Notes to the Accounts in the Annual Report.
- (ii) None of the transaction with any of the related parties were in conflict with the interest of the Company.

The weblink for policy on dealing with related party transaction is <http://www.citadelrealty.in>

### Details of non-compliance:

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There were no instances of non-compliance of any matter related to the capital markets during the last three years.

**Your Company has a Whistleblower Policy in place. During the year under review no personnel have either approached the Audit Committee or been denied access to the Audit Committee.**

**The CEO/CFO certification in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations has been placed before the Board of Directors.**

**Disclosure of compliance with corporate governance requirements under regulations 17 to 27 and regulation 46(2) (b) to (i) of SEBI (LODR), Regulations, 2018** -The Disclosure of compliance with corporate governance requirements under regulations 17 to 27 and regulation 46(2) (b) to (i) of SEBI (LODR), Regulations, 2018 has been made in the Annual Report.

### Reconciliation of Share Capital Audit Reports :

Quarterly Reconciliation Share Capital Audit Reports were furnished to the Stock Exchange to the following dates:

Quarter ended on	Furnished on
30-06-2017	13-07-2017
30-09-2017	11-10-2017
31-12-2017	15-01-2018
31-03-2018	16-04-2018

**CERTIFICATE**

To  
The Members of Citadel Realty and Developers Ltd.

**Sub: Declaration by the chief executive officer under Schedule V (D) of SEBI (LODR) Regulations 2015.**

I, S. Ramamurthi, CEO & Director of Citadel Realty and Developers Ltd hereby declare that all members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2018.

For and on behalf of the Board of Directors

Place : Mumbai  
Date: 8th May 2018

S. Ramamurthi  
CEO & Director

**Certificate on Compliance from the Practicing Company Secretary**

Sub: Compliance Certificate under Schedule V (E) of SEBI (LODR) Regulations 2015.

Certificate of the Practicing Company Secretary has been obtained on the compliance of conditions of the Corporate Governance and the same forms part of this Directors Report.

For and on behalf of the Board of Directors  
sd/-

Place :Mumbai  
Date: 8th May 2018

S. Ramamurthi  
CEO & Director

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management of the Company is pleased to present this report covering the activities of the Company during the year ended on March 31, 2018

Industry structure and developments- Macro Economic Environment Overview

### Economic outlook

The Indian economy's strength and the long-term dynamics continue to work in its favour, steering it towards establishing a leading global position. With positive indicators such as a stable annual growth pattern, adequate foreign exchange reserves, a robust capital market and rapidly expanding FDI inflows, India is competing with major international economies to emerge as a nation with global economic stature.

While new economic industries have shown robust growth, conventional economy segments like industrial and services segments, the manufacturing sector, transport and communication sectors and Real Estate have also been major contributors in the Indian growth process.

Real estate is one of the major contributors to the economy by supporting innumerable ancillary industries and providing employment to millions directly and indirectly. Growth in real estate has multiple efforts on the economy. Despite such strong fundamentals the government does not recognize real estate as an industry. It is time that real estate sector get an industry status. This would enable developers to raise funds at lower rates and cut down their cost of capital which would eventually have bearing on overall project costs.

Bold initiatives have been witnessed in the long term growth of the Real Estate Sector. Affordable Housing has been given "industrial status" which would go a long way in giving the much needed credence to the sector and would help it to negotiate favorable terms for long term funding.

The Company may source funds for its projects based on the industrial status accorded to the segment in which it operates. The creditability of the Company would get established & enhanced in affordable housing segment.

### GST Impact on India Real Estate Sector

The Goods and Services Tax (GST) is beyond doubt the most revolutionary tax related reform to be seen in India in several decades, since it will eliminate the conflicting and cascading taxation structures which have confounded several industries over the past few decades. It will most certainly have a profound effect on India's economic prospects.

A single indirect tax which covers all goods and services will, in the long run, increase tax collection by making it easier for retailers and several other business to comply and also moderate overall taxation levels. It should be remembered that the favorable effects will become evident only 2-3 years of its implementation.

The tax rate applicable for real estate is 12% bracket. However, the GST rate is not the only important factor. The abatement rules as applicable under the service Tax regime and the input tax credit facility for developers will determine if the effective tax incidence on real estate is lower or higher under GST.

The GOI has offered some clarity on the abatement rules for under construction houses and input tax credit benefits for developers.

The Govt. has further announced that there would be a 8% GST on affordable housing. Further the Govt has also announced concessional interest to first time home buyers under the Credit Linked Subsidy Scheme. These two measures would go a long way in increasing the demand for housing in the low and middle ranges.

### Real Estate (Regulation and Development) Act 2017 (RERA):

Real estate is one of the most dynamic sectors. It is the second largest employer in India after agriculture. The year 2017 brought some good as well as bad news for the sector. It saw the biggest changes in decades, especially on the policy front. Some of the biggest game-changing policies like GST and RERA cleared hurdles and were finally implemented. Demonetization with Benami transaction law also had its impact on the sector.

RERA made applicable for all Residential projects effective from May 2017. All the Projects of the Company has been registered with Maha Rera Authority. As RERA completed a year in May 2018, registration of over 16,000 under –construction real estate projects, resolution of more than 1200 consumer complaints, penalties for non-compliance and GPS enabled search for dream home are among the achievements by Maha RERA. The Authority has restored the confidence of the buyers and regulated the sector which was unregulated for long. This would benefit your Company in long term.

#### 1. Housing for All:

"Housing for all" is an ambitious project launched by PM Narendra Modi for construction of 11 mn units before year 2022. According to data more than 2.5 lakh homes in Maharashtra under the Pradhan Mantri Aawas Yojna have been sanctioned and construction work for more than 25,800 homes has already started.

The "Special Development Zone" demarcated in DP-2034 and also the construction of affordable homes in "No Development Zone" will add a boost to affordable housing sector.

#### 2. Mumbai Development Plan 2034:

The recently unveiled Mumbai Development Plan (DP) 2034 speaks about creating 1 million affordable houses and 8 million jobs in the city of Mumbai. The DP envisages creating of theatres, museums, parks, play grounds, theme gardens, old age homes and shelters for homeless. However the effectiveness of the DP remains to be seen as the execution is always the crux of the issue. The DP talks of utilizing slat pan lands for affordable housing. According to the plan, out of 3,355 hectares in no-development zone, BMC has earmarked 2,100 hectares as well as 330 hectares of salt pan lands for affordable housing. Provided the environment activists allows the smooth transition. To create more jobs, the DP has given incentives for commercial structures to have extra FSI. Residential buildings will also be given extra FSI subject to road width. Data centres have been encouraged to set up more centres. The DP has also designated 12,859 hectares as natural spaces, a new category where no new construction will be allowed. However, there are caveats.

### Opportunities

The Govt. of Maharashtra has realized that rapid urbanization of Mumbai City is of utmost importance and has accordingly drawn up ambitious plans. With the introduction of RERA, rapid urbanization and improved living standard, the demand for housing in affordable sector is robust and your Company would endeavor to derive it.

### Industry Structure and Development :

SRA is planning to boost transparency by digitising its systems so that the redevelopment process— from a developer applying for a scheme to the allotment of tenements to eligible slum dwellers — can be tracked online. The body floated an e-tender on Friday to set up a web portal for "citizen centric processes in SRA".

It's good news for slum dwellers as the state government is now all set to give them bigger homes measuring 315-322 square feet from the current 269 square feet.

According to the SRA, more than 60 lakh people stay in slums and around 1.80 lakh slum dwellers have shifted to new homes under the

scheme in the past 21 years.

The state government is also planning to accord the status of 'special planning authority' to the Maharashtra Housing and Area Development Authority (Mhada).

#### Threats

A single window clearance mechanism for approvals, would go a long way in minimizing the time schedule for completing projects.

#### Segment-wise or product-wise performance

The focus of the Company at present is on the Slum Rehabilitation activities & high end residential segment. There is an increase in demand for the commercial space owing to rapid growth in Services sector such as ITES ,BFSI ,Telecom and owing to a raising demand from MNCs to establish offices in India.

#### Out Look

The real estate sector is one of the most globally recognized sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

India's rank in the Global House Price Index has jumped 13\* spots to reach the ninth position among 55 international markets, on the back of increasing prices in mainstream residential sector.

#### -Government Initiatives

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

-In February 2018, creation of National Urban Housing Fund was approved with an outlay of Rs 60,000 crore (US\$ 9.27 billion).

-Under the Pradhan Mantri Awas Yojana (PMAY) Urban 1,427,486 houses have been sanctioned in 2017-18. In March 2018, construction of additional 3,21,567 affordable houses was sanctioned under the scheme.

#### Risks and concerns

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

The company has a Risk Management Policy, which is being periodically reviewed.

#### Internal control systems and their adequacy

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

The Company has harmonious employee relations and there is close

interaction between the management and employees to facilitate smooth functioning of our organization activities.

#### Operational Performance:

(Rs. in lakhs)

Particulars	For the year ended 31.03.2018 (INR)	For the year ended 31.03.2017 (INR)
Total Revenue	333.77	968.92
Total Expenses	(227.22)	(426.68)
Profit Before Extraordinary Items and Taxation	0	0
Profit Before Tax	106.55	542.24
(a) Current Tax	(20.19)	(107.46)
b) Short provision of Tax in earlier Year	(0.25)	-
c) Deferred Tax	(6.33)	(37.70)
Profit After Tax	79.78	397.08
Profit from Partnership	27.39	1.53

#### Disclosure of Accounting Treatment:

In preparation of these financial statements, the Company has followed the prescribed Accounting Standards and no different treatment had been followed.

#### Cautionary Statement

*Statements in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events.*

*Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and other incidental factors. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent development.*

# CITADEL REALTY AND DEVELOPERS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Citadel Realty & developers Limited Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS Financial Statements of Citadel Realty & Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Standalone Ind AS Financial Statements").

### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial

Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) 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, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
  - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note no. 28 on Contingent Liabilities to the Standalone Ind AS Financial Statements;
    - (ii) The Company did not have any material foreseeable losses on long term contracts including derivative contracts;
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Bipin B. Shah & Co.  
Firm Registration Number: 101511W  
Chartered Accountants

Bipin B. Shah  
Proprietor

Place:- Mumbai  
Date :- 8th May 2018

Membership Number 013191.

**Annexure 1 to Independent Auditors' Report**

**Referred to in paragraph [9] of the Independent Auditors' Report of even date to the members of CITADEL REALTY AND DEVELOPERS LIMITED on the standalone financial statements as of and for the year ended March 31,2018.**

- i. (a) The In respect of its fixed assets, since the company does not hold any fixed assets, clauses (i)(a), (i)(b) and (i)(c) of para 3 of the Order are not applicable
- ii. Inventory comprise of expenditure on land acquisition & construction & development including capitalised borrowing cost has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- iii. The Company has granted unsecured loans, to one partnership firm, body corporate covered in the register maintained under Section 189 of the Act. There are no other parties covered in the register maintained under Section 189 of the Act.
  - (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - (b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated and payable on demand, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
  - (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
  - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management..

- x. The provisions of Section 197 read with Schedule V to the Act are not applicable to the company since there is no managerial remuneration being paid. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Bipin B. Shah & Co.  
Firm Registration Number: 101511W  
Chartered Accountants

Place:- Mumbai  
Date :- 8th May 2018

Bipin B. Shah  
Proprietor  
Membership Number 013191.

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Citadel Realty & Developers Limited** on the Standalone Ind AS Financial Statements for the year ended **March 31, 2018**]

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

We have audited the internal financial controls over financial reporting of Citadel Realty & Developers Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For Bipin B. Shah & Co.  
Firm Registration Number: 101511W  
Chartered Accountants

Place:- Mumbai  
Date :- 8th May 2018

Bipin B. Shah  
Proprietor  
Membership Number 013191.

## Standalone Balance Sheet as at 31 March 2018

(₹ in Lakhs)

PARTICULARS	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Financial Assets				
(i) Investments	2	10.20	10.20	8.67
(b) Deferred Tax Assets (Net)	3	204.80	211.13	248.82
<b>Total Non - Current Assets</b>		<b>215.00</b>	<b>221.33</b>	<b>257.49</b>
<b>2 Current assets</b>				
(a) Inventories	4	274.45	324.36	663.01
(b) Financial Assets				
(i) Trade Receivables	5	-	13.15	-
(ii) Cash and Cash Equivalents	6	4.18	0.88	3.68
(iii) Bank Balance other than (ii) above	7	1.81	-	-
(iv) Loans	8	1,629.84	1,537.55	442.35
(v) Other Financial Assets	9	-	87.27	-
(c) Other Current Assets	10	11.24	0.73	10.46
<b>Total Current Assets</b>		<b>1,921.52</b>	<b>1,963.94</b>	<b>1,119.50</b>
<b>Total Assets (1+2)</b>		<b>2,136.52</b>	<b>2,185.27</b>	<b>1,376.99</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
(a) Equity Share Capital	11	752.00	357.45	357.45
(b) Instruments entirely equity in nature	12	125.44	-	-
(c) Other Equity	13	8.55	241.34	(155.74)
<b>Total Equity</b>		<b>885.99</b>	<b>598.79</b>	<b>201.71</b>
<b>LIABILITIES</b>				
<b>2 Non Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	14	-	125.00	125.00
(ii) Other Financial Liabilities	15	10.00	10.00	10.00
<b>Total Non Current Liabilities</b>		<b>10.00</b>	<b>135.00</b>	<b>135.00</b>
<b>3 Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	1,190.73	1,334.50	683.50
(ii) Trade Payable	17	-	4.08	4.08
(iii) Other Financial Liabilities	18	1.81	-	-
(c) Current Tax Liabilities (Net)	19	13.59	22.97	10.08
(d) Other Current Liabilities	20	34.39	89.93	342.62
<b>Total Current Liabilities</b>		<b>1,240.52</b>	<b>1,451.48</b>	<b>1,040.28</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>2,136.52</b>	<b>2,185.27</b>	<b>1,376.99</b>

For and on behalf of the Board of Directors

For Bipin Shah &amp; Co.

Chartered Accountants

(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)S.Ramamurthi  
Director & CEO  
(DIN:- 00135602)Nilesh Dand  
Director & CFO  
(DIN:- 00199785)Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018Anuja Dube  
Company Secretary  
(ACS44198)

# CITADEL REALTY AND DEVELOPERS LIMITED

## Standalone Statement of Profit and Loss for the year ended 31 March 2018

(₹ in Lakhs except EPS)

PARTICULARS	Note No.	for the year ended 31st March, 2018	for the year ended 31st March, 2017
<b>I</b> Revenue from operations	21	142.16	875.42
<b>II</b> Other Income	22	191.61	93.50
<b>III Total Revenue (I + II)</b>		<b>333.77</b>	<b>968.92</b>
<b>IV EXPENSES</b>			
(a) Cost of construction/development, land, plots and development rights		-	-
(b) Change in inventory	23	49.91	338.65
(c) Finance costs	24	136.21	53.97
(d) Other expenses	25	41.10	34.06
<b>V Total Expenses (IV)</b>		<b>227.22</b>	<b>426.68</b>
<b>VI Profit before tax (III - V)</b>		<b>106.55</b>	<b>542.24</b>
<b>VII Tax Expense</b>			
(1) Current tax		20.19	107.46
(2) Short provision of tax in earlier year		0.25	-
(3) Deferred tax	3.1	6.33	37.70
<b>VIII Total tax expense (VII)</b>		<b>26.77</b>	<b>145.16</b>
<b>IX Profit after tax (VI - VII)</b>		<b>79.78</b>	<b>397.08</b>
<b>X</b> Other comprehensive income		-	-
<b>XI</b> Total Other Comprehensive Income (X)		-	-
<b>XII</b> Total Comprehensive income for the year (IX + XI)		79.78	397.08
<b>XIII</b> Earnings per equity share (Face Value ₹ 10)			
(1) Basic	26	1.08	5.41
(2) Diluted	26	1.07	5.41

For and on behalf of the Board of Directors

**For Bipin Shah & Co.**  
Chartered Accountants  
(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

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

Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)

## Cash Flow Statement for the year ended 31 March 2018

(₹ in Lakhs)

PARTICULARS		for the year ended 31st March, 2018	for the year ended 31st March, 2017
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax:	106.55	542.24
	Adjustment for:		
	Finance Cost	136.21	53.97
	Share of Profit from Firms	-	(1.53)
	<b>Operating profit before Working Capital changes</b>	<b>242.76</b>	<b>594.68</b>
	<u>Adjustments for changes in Working capital</u>		
	(Increase)/Decrease in Inventories	49.91	338.65
	(Increase)/Decrease in Trade Receivables	13.15	(13.15)
	(Increase)/Decrease in Financial Assets - Loan - Non current	(92.28)	(1,095.20)
	(Increase)/Decrease in Financial Assets Others - Non current and current	87.27	(87.27)
	(Increase)/Decrease in Other Non-current and current assets	(10.52)	9.74
	Increase/(Decrease) in Trade Payables	(4.08)	-
	Increase/(Decrease) in Other Financial current liabilities	(55.54)	(252.69)
	Increase/(Decrease) in Financial Liabilities Others - Non current and current	1.81	-
	Increase/(Decrease) in Provisions - Non current and current	9.38)	12.89
	<b>Cash generated from/ (used in) operations</b>	<b>(19.66)</b>	<b>(1,087.05)</b>
	Income taxes (paid)	20.44	107.46
	<b>Net Cash from / (used in) operating activities</b>	<b>(40.10)</b>	<b>(1,194.51)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Non Current Investments made	-	(1.53)
	Amounts received/(Invested) from partnership firms & LLPs	-	1.53
	Other Bank Balances	(1.81)	-
	<b>Net Cash from/(used in) investing activities</b>	<b>(1.81)</b>	<b>0.00</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Repayment of Long term borrowings	(18.33)	651.00
	Dividend (Including Tax on Dividend) paid	(43.02)	-
	Finance cost paid	(136.21)	(53.97)
	<b>Net Cash from/(used in) financing activities</b>	<b>(197.56)</b>	<b>597.03</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>3.29</b>	<b>(2.80)</b>
	<b>Cash and Cash Equivalents (Opening balance)</b>	<b>0.88</b>	<b>3.68</b>
	<b>Cash and Cash Equivalents (Closing balance)</b>	<b>4.17</b>	<b>0.88</b>
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		
	<b>See accompanying notes forming part of the financial statements</b>		

## 1.1 Component of Cash &amp; Cash Equivalent

(₹ in Lakhs)

Component of Cash & Cash Equivalent	Year ended 31 March 2018	Year ended 31 March 2017
Cash in hand	0.07	0.19
Balance With Bank	4.10	0.69
	<b>4.17</b>	<b>0.88</b>

# CITADEL REALTY AND DEVELOPERS LIMITED

## DISCLOSURE AS REQUIRED BY IND AS 7

1.2 Reconciliation of liabilities arising from financing activities for the year ended March 31,2018

(₹ in Lakhs)

Particular	Opening balance	Cash flows	Non cash changes	Closing balance
(i) Repayment of Long term borrowings (Refer note no.12.3 & 1.3 of cash flow statement)	1459.50	(18.33)	(250.44)	1,190.73
(ii) Trade Payable (Refer note no. 1.4 of cash flow statement)	4.08		(4.08)	-
	<b>1463.58</b>	<b>(18.33)</b>	<b>(254.52)</b>	<b>1190.73</b>

1.3 Non cash change is pertain to conversion of borrowing in to Equity share & CCD's (Refer note no. 12.1 & 12.2 of financial statement)

1.4 During the period under review Trade payable no longer payable was written off.

For and on behalf of the Board of Directors

**For Bipin Shah & Co.**

Chartered Accountants  
(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

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

Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)

**Standalone Statement of Changes in Equity**

**a) Equity Share Capital**

(₹ in Lakhs)

Particulars	Amount
Balance As at 1 April 2016	357.45
Change for the year	-
Balance As at 31 March 2017	<b>357.45</b>
<b>Change for the year</b>	
Add:- On conversion of Compulsorily Convertible Preference Shares to Equity shares	18.55
Add:- Issue of Bonus Shares	376.00
<b>Balance As at 31 March 2018</b>	<b>752.00</b>

**b) Instruments entirely equity in nature**

Particulars	Compulsorily Convertible Preference Shares	Compulsorily Convertible Debentures
<b>Balance As at 1 April 2016</b>	-	-
Change for the year	-	-
<b>Balance As at 31 March 2017</b>	-	-
<b>Change for the year</b>		
Issue of instrument entirely equity in the nature	125.00	125.44
Conversion in to Equity	(125.00)	-
<b>Balance As at 31 March 2018</b>	-	<b>125.44</b>

**C) Other Equity 15-16**

(₹ in Lakhs)

Particulars	Reserve and Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1 April 2015</b>	513.513	(753.14)	(239.62)
Profit for the year	-	83.89	83.89
Other Comprehensive Income	-	-	-
Dividend paid (Including Dividend Distribution Tax)	-	-	-
<b>Balance at the 31 March 2016</b>	<b>513.51</b>	<b>(669.25)</b>	<b>(155.73)</b>

**d) Other Equity 16-17**

(₹ in Lakhs)

Particulars	Reserve and Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1st April 2016</b>	513.513	(669.25)	(155.73)
Profit for the year	-	397.08	397.08
Other Comprehensive Income	-	-	-
Dividend paid (Including Dividend Distribution Tax)	-	-	-
<b>Balance at the 31 March 2017</b>	<b>513.51</b>	<b>(272.17)</b>	<b>241.35</b>

# CITADEL REALTY AND DEVELOPERS LIMITED

## e) Other Equity 17-18

(₹ in Lakhs)

Particulars	Reserve and Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1 April 2017</b>	513.51	(272.18)	241.34
Add : Additions on account of conversion of Preference Share (Refer note no. 14.1)	106.45		106.45
Less:- Capitalization for issue of Bonus Shares	376.00		376.00
Profit for the year		79.78	79.78
Other Comprehensive Income		-	0.00
Dividend paid (Including Dividend Distribution Tax)		43.02	43.00
<b>Balance at the 31st March 2018</b>	<b>243.97</b>	<b>(235.42)</b>	<b>8.55</b>

For and on behalf of the Board of Directors

### For Bipin Shah & Co.

Chartered Accountants  
(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

S.Ramamurthi  
Director & CEO  
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Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)

Notes forming part of the standalone financial statements

**Note: 1 Corporate Information**

Citadel Realty & Developers Limited ("the Company") formerly known as Rohit Pulp & Papers Mills Ltd is a Company registered under the Companies Act, 1956. The Company is a leading real estate developer engaged primarily in the business of Real Estate construction, development and other related activities. The Company is domiciled in India and is listed on BSE Limited (BSE).

**1 Significant Accounting Policies**

**A Statement of Compliance:-**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Up to the year ended 31 March 2016, the company has prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2017. Refer note no. 28 for the details of first-time adoption exemptions availed by the Company

**1.1 Basis of Preparation of Financial Statements :-**

- a. The financial statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") as applicable.

The financial statements up to the year ended 31st March 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101.

Refer Note 28 for an explanation of how the transition from the previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company.

**b. Historical Cost Convention:-**

The financial statements have been prepared on a historical cost basis, except for Certain financial assets and liabilities that is measured at fair value.

**c. Functional and Presentation Currency:-**

These financial statements are presented in Indian rupees, which is also the functional currency of the Company.

**1.2 Basis of consolidation:-**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumption. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note no. 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate change in estimates are made as management become aware of change in circumstances surrounding the estimates. Change in estimates are reflected in the financial statements in the period in which changes are made and if material, their effect are disclosed in the notes to the financial statements.

- 1.3 The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumption. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate change in estimates are made as management become aware of change in circumstances surrounding the estimates. Change in estimates are reflected in the financial statements in the period in which changes are made and if material, their effect are disclosed in the notes to the financial statements.

**1.4 Critical Accounting Estimates:-**

**a. Revenue Recognition:-**

Revenue is recognized using the "Percentage Completion Method" in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" issued by Institute of Chartered Accountants of India. Use of percentage completion method requires the Company to estimate the total project revenue, project cost to complete and stage of completion. The stage of completion is again estimated based on cost incurred and certificate of architect. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimate at the reporting date.

**b. Income taxes:-**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions

**c. Deferred Tax:-**

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable

# CITADEL REALTY AND DEVELOPERS LIMITED

income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.

## **d. Evaluation of Control:-**

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets wherever applicable. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on 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.

## **1.4 Revenue Recognition**

### **Real Estate Project:-**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognized upon transfer of significant risk and reward of ownership of such real estate project as per the terms of contracts entered into with the buyers, which generally coincides with the firming of sale contracts / agreements and significant risk & rewards are transferred when agreement is registered. Where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and reward, revenue in such cases is recognized by applying percentage of completion method only if the following threshold have been met:

- i) All Critical approvals necessary for commencement of the project have been obtained.
- ii) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs:
- iii) at least 25% of the saleable project area is secured by contracts / agreements with buyers; and
- iv) at least 10% of the contracts / agreement value are realized at the reporting date in respect of such contracts / agreement.

### **Other income:-**

- The Company's share in profit / loss from a firm / LLP / AOP where the Company is partner / member, is recognized when the same is credited to the Company's account on the basis of audited accounts of such firm / LLP / AOP, as per the terms of partnership deed.

- Interest income is recognized on time proportionate basis

## **1.5 Borrowing cost:-**

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset, during the period of time that is necessary to complete and prepare the asset for its intended use.

Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method. Other borrowing costs are expensed in the period in which they are incurred.

## **1.6 Inventories:-**

Inventory comprises of stock of Land and properties under construction (Work in Progress). Work In Progress comprises cost of land, development rights, construction and development cost, cost of material, services and other overheads related to projects under construction. Inventory is valued at cost or net realizable value whichever is lower

## **1.7 Cash Flow Statement:-**

Cash flows are reported using the Indirect method, whereby profit for the year is adjusted for the effect of transactions of a non-cash nature, any deferral or accruals of the past or future operating cash receipt or payment and item of income or expenses associated with investing cash flow. The cash flow from operating, investing & financing activities of the company are segregated. The Company has considered all highly liquid investment that are readily convertible to know amount of cash to be cash equivalent.

## **Amendment to Ind As 7:-**

Effective April 1,2017, the company adopted the amendment to Ind As 7, which requires the entities to provide disclosure that enable users of the financial statement to evaluate changes in liabilities arising from financing activities , including both changes arising from cash flow & non cash changes, Suggesting inclusion of a reconciliation between the opening & closing balances in the Balance Sheet for the liabilities arising from financing activities to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statement.

## **1.8 Earnings Per Share :-**

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

## **1.9 Current and Deferred Taxes :-**

### **Current Tax :-**

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

### **Deferred Tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible

and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

#### **1.10 Provisions, Contingent Liabilities and Contingent Assets:-**

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

**Contingent liabilities and Contingent assets are not recognized in the financial statements.**

#### **1.11 Operating Cycle:-**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current

#### **1.12 Financial Instruments:-**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in profit or loss.

#### **Effective interest method :-**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### **Financial assets at amortized cost:-**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value:-**

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss

#### **Financial liabilities and equity instruments :-**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities at FVTPL are stated at fair value, with gains and losses arising on re-measurement recognized in profit and loss account.

#### **1.13 Recent Accounting pronouncements**

##### **Ind As 115, Revenue from contracts with customers:-**

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

Ind AS 115 Revenue from contracts with customers

Ind AS 115 was issued on 29 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is 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.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS and the guidance note of real estate issued by ICAI. Ind AS 115 is applicable to the Group for annual periods beginning on or after April 1, 2018.

# CITADEL REALTY AND DEVELOPERS LIMITED

## Notes forming part of the standalone financial statements

(All amounts are in INR unless otherwise stated)

### Note 2 - Investments : Non-Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>Investments Carried at:</b>			
A) Cost			
<b>Investments in Partnership Firm</b>			
Shree Swami Samarth Builders & Developers	10.20	10.20	8.67
	<b>10.20</b>	<b>10.20</b>	<b>8.67</b>

### 2.1:- details of all partners, capital and profit sharing ratio in partnership firms where company is a partner

(₹ in Lakhs)

Name of the firm/Partners	2017-18		2016-2017		2015-2016	
	Profit Sharing Ratio	Fixed Capital	Profit Sharing Ratio	Fixed Capital	Profit Sharing Ratio	Fixed Capital
<b>Shree Swami Samarth Builders &amp; Developers</b>						
Citadel Realty & Developers Ltd	37.50%	0.50	37.50%	0.50	37.50%	0.50
Vaibhav Kokate	62.50%	0.50	62.50%	0.50	62.50%	0.50

### Note 3 - Deferred Tax Assets / (Liabilities)

(₹ in Lakhs)

Significant components of deferred tax assets and liabilities for the year ended 31 March 2018 :	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Deferred tax assets on:			
(a) carry forward unused tax losses & unabsorbed depreciation	64.29	77.42	248.82
(b) Carry forward unused tax credit (MAT)	140.51	133.71	-
<b>Net Deferred tax assets/(liabilities)</b>	<b>204.80</b>	<b>211.13</b>	<b>248.82</b>

### 3.1 Movement in Deferred Tax Assets

(₹ in Lakhs)

Significant components of deferred tax assets and liabilities for the year ended 31 March 2018 :	Opening balance as on 31-Mar-17	(Charged) / Recognized to the statement of profit or loss	Closing balance as on 31-Mar-18
<b>Deferred tax assets:</b>			
Reversal on utilization of carry forward loss & depreciation	211.13	(6.33)	204.8
<b>Net Deferred tax assets/(liabilities)</b>	<b>211</b>	<b>(6.33)</b>	<b>204.80</b>

Significant components of deferred tax assets and liabilities for the year ended 31 March 2017 :	Opening balance as on 01-Apr-16	(Charged) /	Closing balance as on 31-Mar-17
<b>Deferred tax assets:</b>			
Reversal on utilization of carry forward loss & depreciation	248.82	(37.70)	211.13
<b>Net Deferred tax assets/(liabilities)</b>	<b>248.82</b>	<b>(37.70)</b>	<b>211.13</b>

**3.2 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31,2018 and March 31, 2017:**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17
<b>Accounting Profit before Income Tax</b>	106.55	542.24
Enacted Income Tax rate	25.75%	33.06%
Tax on accounting profit at enacted rate	27.44	179.28
Adjustment for disallowable expenses	1.53	0.02
Adjustment for Set off of Unused Business Loss & Unabsorbed Depreciation	8.78	71.83
<b>Total Income Tax Expenses</b>	<b>20.19</b>	<b>107.46</b>

**Note 4 - Inventories**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>(At lower of cost and net realizable value)</b>			
(a) Land and Plots	238.24	288.15	626.80
(b) Construction work-in-progress (Refer note no. 4.1)	36.21	36.21	36.21
<b>Total</b>	<b>274.45</b>	<b>324.36</b>	<b>663.01</b>
4.1:- Construction work in progress is mortgage against loan taken by the firm, Shree Swami Samarth Builders and Developers			

**Note 5 - Trade receivables**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(Unsecured) Considered good	-	13.15	-
<b>Total</b>	<b>-</b>	<b>13.15</b>	<b>-</b>

**Note 6 - Cash and Cash Equivalents**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Balances with banks - In current accounts	4.10	0.69	3.57
(b) Cash in hand	0.07	0.19	0.11
<b>Total</b>	<b>4.17</b>	<b>0.88</b>	<b>3.68</b>

**Note 7 - Other Balances with Banks**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Earmarked accounts Unclaimed dividend	1.81	-	-
<b>Total</b>	<b>1.81</b>	<b>-</b>	<b>-</b>

**Note 8 - Loans :- Current**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Unsecured, Considered good			
(a) Loans to related parties (Refer note no. 34)	1,629.84	1,537.55	442.35
	-	-	-
<b>Total</b>	<b>1,629.84</b>	<b>1,537.55</b>	<b>442.35</b>

# CITADEL REALTY AND DEVELOPERS LIMITED

## Note 9 - Others Financial Assets : Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(Unsecured, considered good)			
(a) Interest accrued but not due on loan	-	87.27	-
<b>Total</b>	<b>-</b>	<b>87.27</b>	<b>-</b>

## Note 10 - Other Current Assets

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Prepaid expenses	11.24	0.48	0.46
(b) Balances with government authorities (other than income tax)	-	0.25	0.25
(c) Cenvat Credit	-	-	9.34
(d) Deposits with MSEB	-	-	0.41
<b>Total</b>	<b>11.24</b>	<b>0.73</b>	<b>10.46</b>

## Note 11 - Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>Authorized:</b>			
<b>2,00,00,000 Equity shares of Rs. 10/- each</b>	<b>2,000.00</b>	<b>700.00</b>	<b>700.00</b>
(as at 31 March 2017: 70,00,000 Equity Shares of Rs.10/- each)			
(as at 31 March 2016: 70,00,000 Equity Shares of Rs.10/- each)			
<b>3,00,000 0% Redeemable Preference Shares of Rs.100/-each</b>	<b>300.00</b>	<b>300.00</b>	<b>300.00</b>
(as at 31 March 2017: 3,00,000 0% Redeemable Preference Shares of Rs.100/-each)			
(as at 31 March 2016: 3,00,000 0% Redeemable Preference Shares of Rs.100/-each)			
	<b>2,300.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>Issued, Subscribed and Fully Paid:</b>			
75,19,974 Equity Shares of Rs.10/- each	752.00	357.45	357.45
[as at 31 March 2017 35,74,500 (as at 31 March 2016 35,74,500) Equity Shares of Rs.10/- each]			
<b>Total</b>	<b>752.00</b>	<b>357.45</b>	<b>357.45</b>

## Note 11A: Terms, rights & restrictions attached to equity shares

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

## 11B : Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

(₹ in Lakhs)

Particulars	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
A Shares at the beginning of the year	3,574,500	357.45	3,574,500	357.45	3,574,500	357.45
<b>Addition during the year</b>						
On conversion	185,487	18.55	-	-	-	-
issued as Bonus Shares	3,759,987	376.00	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>7,519,974</b>	<b>752.00</b>	<b>3,574,500</b>	<b>357.45</b>	<b>3,574,500</b>	<b>357.45</b>

**11C: Details of shares held by each shareholder holding more than 5% equity shares:**

(₹ in Lakhs)

Particulars	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Number of Shares held	% holding in that class of shares	Number of Shares held	% holding in that class of Shares	Number of shares held	% holding that class of shares
Marathon Realty Private Limited	3,841,764	51.09%	947,587	26.51%	947,587	26.51%
Chetan R. Shah	-	-	622,900	17.43%	622,900	17.43%
Mayur R. Shah	-	-	620,395	17.36%	620,395	17.36%

**Note 11D : Information regarding issue of shares in the last five years:**

- ii) During the year on approval of shareholders, the Allotment Committee at its meeting held on November 24, 2017, has allotted 1,85,487 Equity Shares of Rs. 10/- each at premium of Rs. 57.39/- on conversion of Preference Share and said shares are listed on BSE w.e.f. January 08, 2018.
- ii) During the year, The company has issued bonus shares of one equity share for each equity share held on the record date i.e. March 27,2018 by capitalization of Security Premium account. Accordingly, the company has allotted 37,59,987 equity shares as bonus shares March 28,2018. also Refer note no. 12.2.
- iii) The Company has not undertaken any buy-back of shares.

**Note 11E:**

The Company declares and pays dividend in Indian Rupees. The shareholders at the Annual General Meeting held on 10 August 2017 approved a dividend of ₹ 1.00 per share for the year ended 31 March 2017 which was subsequently paid during the year ended 31 March 2018. The amount was recognised as distributions to equity shareholders during the year ended 31 March 2018 and the total appropriation was ₹ 43.20 Lakhs including dividend distribution tax. The Board of Directors has recommended a Final Dividend of 5% (per share of Rs.0.50/-) on the enhanced equity share capital on pari passu basis in their meeting held on 8 May 2018 for the financial year 2017-18 subject to the approval of shareholders in the ensuing Annual General Meeting. The proposed dividend of ₹ 37.60 lakhs and dividend distribution tax thereon, of ₹ 7.65 lakhs have not been recognised as liabilities.

**Note 12 - Instruments entirely equity in nature**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>0% Compulsorily Convertible preference Shares</b>			
<b>Opening Balance</b>			
Add:- issued during the year (Refer note no. 12.1)	125.00	-	-
Less:- converted during the year (Refer note no. 12.1)	(125.00)	-	-
<b>Closing Balance</b>	-	-	-
<b>0% Compulsorily Convertible Debentures</b>			
<b>Opening Balance</b>	-	-	-
Add:- issued during the year (Refer note no. 12.2)	125.44	-	-
Less:- converted during the year (Refer note no. 12.2)	-	-	-
<b>Closing Balance</b>	<b>125.44</b>	-	-
	<b>125.44</b>	-	-

**Note 12.1:**

During the year on approval of shareholders, the Allotment Committee at its meeting held on November 24, 2017, has converted redeemable preference shares into Compulsorily convertible Preference shares. As per approval of shareholders, Company has allotted 1,85,487 Equity Shares of Rs. 10/- each at premium of Rs. 57.39/- on conversion of Preference Share and said shares are listed on BSE w.e.f. January 08, 2018.

**Note 12.2:**

During year on approval of shareholders, the Allotment Committee at its meeting held on November 24, 2017, has allotted 12,544, 0% Compulsorily Convertible Debentures (CCD'S) of Rs.1,000/- each on conversion of partial Inter Corporate Deposits (ICD's). CCD's will be converted into equity share in 9 months and not later than 18 months from the date of allotment. In terms of Regulation 93 of SEBI(ICDR) Regulation'2009, company has reserved 186,112 equity shares as bonus shares to be issued at the time of conversion to CCD holder.

# CITADEL REALTY AND DEVELOPERS LIMITED

## Note 13 - Other Equity

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Opening balance	513.51	513.51	513.51
Add : Additions on account of conversion of Preference Share (Refer note no. 13.1)	106.45	-	-
Less:- Capitalization for issue of Bonus Shares	376.00	-	-
<b>Closing Balance</b>	<b>243.96</b>	<b>513.51</b>	<b>513.51</b>
<b>(b) Surplus in Statement of Profit and Loss</b>			
Opening balance	(272.17)	(669.25)	(753.14)
Add : Profit for the year	79.78	397.08	83.89
Less: Allocations/Appropriations	-	-	-
Dividend paid (Including Dividend Distribution tax)	43.02	-	-
Closing Balance	(235.41)	(272.17)	(669.25)
<b>Total</b>	<b>8.55</b>	<b>241.34</b>	<b>(155.74)</b>

### Note 13.1:-

During the year on approval of shareholder, company has converted 125,000 preference shares in to 185487 equity shares of face value of Rs. 10/- each at premium of Rs. 57.39/-each

## Note 14 - Borrowings : Non Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) 0% Redeemable Preference Shares (Refer note no. 12.1)	-	125.00	125.00
<b>Total</b>	<b>-</b>	<b>125.00</b>	<b>125.00</b>

## Note 15 - Other Financial Liabilities : Non Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Deposits ( as per term of Joint venture agreement)	10.00	10.00	10.00
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>

## Note 16 - Borrowings

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>Unsecured Borrowings</b>			
<b>Loan Repayable on demand</b>			
(a) Loan from Related party (Refer note no. 34)	1190.73	1334.50	683.50
<b>Total</b>	<b>1,190.73</b>	<b>1,334.50</b>	<b>683.50</b>

## Note 17 - Trade Payable : Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Trade Payable (Refer note no. 33 )			
(a) Outstanding dues of Micro, Small and Medium Enterprises	-	-	-
(b) Outstanding dues of creditors other than from Micro, Small and Medium Enterprises	-	4.08	4.08
<b>Total</b>	<b>-</b>	<b>4.08</b>	<b>4.08</b>

## Note 18 - Other Financial Liabilities : Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Unclaimed dividends	1.81	-	-
<b>Total</b>	<b>1.81</b>	<b>-</b>	<b>-</b>

## Note 19 - Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Income Tax Payable (Net off Advance Tax & TDS credit Rs. 14.42 Lakhs [Rs.82.73 lakhs As at 31-Mar-2017])	13.59	22.97	10.08
<b>Total</b>	<b>13.59</b>	<b>22.97</b>	<b>10.08</b>

## Note 20 - Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Advances received from customers	5.27	72.67	288.20
(b) Expenses Payable	3.14	2.60	1.00
(c) Statutory dues (Withhold Tax, GST)	2.10	3.77	17.34
(d) Advance Income	19.50	-	-
(d) Interest accrued but not due	4.38	10.89	36.08
<b>Total</b>	<b>34.39</b>	<b>89.93</b>	<b>342.60</b>

## Note 21 - Revenue from Operations

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-17
(a) Sale of Properties/Flats (Residential)	122.66	875.42
(b) Other Development charges	19.50	-
	-	-
<b>Total</b>	<b>142.16</b>	<b>875.42</b>

## Note 22 - Other Income

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-17
<b>(a) Interest Income</b>	-	-
(i) On Loans & Advances given	187.53	84.46
(b) Profit from Partnership Firms (Net)	-	1.53
<b>(c) Other gain &amp; loss</b>	-	-
(i) Sundry Balances Written Back	4.08	7.51
<b>Total</b>	<b>191.61</b>	<b>93.50</b>

## Note 23 - Change in Inventory

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-17
<b>(a) Opening Inventory</b>		
Work in Progress	288.15	626.80
Stock in Trade (Land & Plots)	36.21	36.21
<b>Total opening Inventory</b>	<b>324.36</b>	<b>663.01</b>
<b>(b) Closing Inventory</b>		
Work in Progress	238.24	288.15
Stock in Trade (Land & Plots)	36.21	36.21
<b>Total Closing Inventory</b>	<b>274.45</b>	<b>324.36</b>
<b>Total (Change in Inventory = a-b)</b>	<b>49.91</b>	<b>338.65</b>

# CITADEL REALTY AND DEVELOPERS LIMITED

## Note 24 - Finance Cost

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-17
(a) Interest expense on borrowings	135.59	53.97
(b) Interest on delayed payment of statutory dues	0.62	-
<b>Total</b>	<b>136.21</b>	<b>53.97</b>

## Note 25 - Other Expenses

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-17
(a) Rent (office)	2.11	2.07
(b) Insurance	0.62	0.60
(c) Rates and Taxes	2.60	11.23
(d) Printing & Stationery (incl. Postage charges)	4.24	2.10
(e) Travelling and Conveyance	0.15	0.16
(f) Legal and professional fees	9.49	8.28
(g) Payment to Auditors (Refer note no. 25.1)	1.07	0.72
(h) Listing fees	2.88	2.29
(i) Ex-Workman Compensation expenses	1.75	-
(j) Director Sitting fees	9.00	4.80
(k) Share issue expenses	4.64	-
(l) Miscellaneous Expenses	2.55	1.76
(m) Donation	-	0.05
<b>Total</b>	<b>41.10</b>	<b>34.06</b>

## Note 25.1:- Payment to Auditors (net off service tax & GST) towards

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-17
Statutory Audit Fees including fees for quarterly limited reviews	0.62	0.57
Tax Audit Fees	0.15	0.15
Other Services	0.30	-
<b>Total</b>	<b>1.07</b>	<b>0.72</b>

## Note 26 - Earning Per Equity Share

(₹ in Lakhs except no. of Shares)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-17
<b>Earnings Per Share has been computed as under:</b>		
Profit for the year	79.78	397.08
Weighted average number of equity shares outstanding	7,399,534	7,334,487
<b>Earnings Per Share (₹) - Basic (Face value of ₹ 10 per share)</b>	<b>1.08</b>	<b>5.41</b>
Add: Weighted average number of potential equity shares on account conversion of Compulsorily Convertible Debenture	65,267	-
Weighted average number of Equity shares (including dilutive shares) outstanding	7,464,801	-
<b>Earnings Per Share (₹) - Diluted (Face value of ₹ 10 per share)</b>	<b>1.07</b>	<b>5.41</b>

**Note 26.1:-**

During the Period under review, The company has issued bonus shares in the ratio of one equity share for every equity share held on the record date i.e. March 27,2018 by capitalization of Security Premium account. Accordingly, the company has allotted 37,59,987 equity shares as bonus shares. The Earning per Share for the comparative periods have been restated to give effect to the allotment of the Bonus share as per requirement of Accounting Standard (IndAs 33) - earning per share.

**Note 27:- First-time adoption of Ind-AS**

The Company has prepared its first Indian Accounting Standards (Ind AS) compliant Financial Statements for the periods commencing 1 April 2017 with restated comparative figures for the year ended 31 March 2016 in compliance with Ind AS. The company had prepared these financial statements in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013. Accordingly, the Balance Sheet, in line with Ind AS transitional provisions, has been prepared as at 1 April 2016, the date of company's transition to Ind AS.

**Notes to the reconciliation between Previous GAAP and Ind AS:-**

There is no change in the net profit as presented in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to total comprehensive income for the year ended 31 March 2017. Therefore, there is no need to for any adjustment for IndAs. In accordance with Ind AS 101 First-time Adoption of Ind AS, the Company has presented below a reconciliation of of shareholder's funds as per the previous GAAP to equity under Ind AS as at 31 March 2017 & 31 March 2016. There is no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

**A. First-time adoption – mandatory exceptions, optional exemptions**

Upon transition, Ind AS 101 permits certain exemptions from full retrospective application of Ind AS. The Company has applied the mandatory exceptions and certain optional exemptions, in preparing these financial statements, as set out below:

**Mandatory exemptions applied by the Company**

Investment in Associates (Partnership Firm):-

The Company has availed the exemption of recording and presenting the investment in Partnership Firm at Previous GAAP carrying amount on the date of transition.

**B. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**Classification and Measurement of Financial Assets**

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**C. Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

**Reconciliation of Equity**

(₹ in Lakhs)

Particular	As at 01-Apr-16	As at 31-Mar-17
Net worth as per IGAAP	482.45	482.45
Less:- Reclassification of redeemable Preference shares to borrowing	(125.00)	(125.00)
Equity as per Ind AS	357.45	357.45

**Reconciliation of Total Comprehensive Income**

(₹ in Lakhs)

Particular	for the year ended 31-Mar-17
Profit after Tax under IGAAP	397.08
=/- Adjustment under IndAS	-
<b>Total Comprehensive Income as per IND AS</b>	<b>397.08</b>

**Note 28:- Financial Risk Management**

The Companies principal financial liabilities comprise of borrowings, trade and other payable. The main purpose of financial liabilities is to manage finance for the Company's operations. The Company has loan and trade receivables and cash and short term deposits that arise directly from its operations. The Company's activities exposes it to variety of financial risk.

**(i) Credit Risk:-**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of the financial assets which represents the maximum credit exposure is as follows:

**Trade and other receivables:-**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

# CITADEL REALTY AND DEVELOPERS LIMITED

The carrying amount of the financial assets which represents the maximum credit exposure is as follows:

## **Cash and cash equivalents:-**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

## **(ii) Liquidity risk:-**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

## **Market Risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to interest rate risk and the market value of certain commodities. Thus, our exposure to market risk is a function of borrowing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in our revenues and costs.

## **Interest rate risk:-**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

## **Exposure to interest rate risk**

The Group's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing borrowing as reported to the management of the Group is as follows.

Interest Rate Sensitivity	Increase / decrease in point	Effect on profit before tax
For the year ended March 31, 2018		
INR Borrowing	+50 (50)	(5.68) 5.68

## **Financial instruments and cash deposits**

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

## **Liquidity Risk**

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders.

## **Competition and price risk:-**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

## **Capital risk management:-**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum

returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2018 and March 31, 2017.

**Fair value of financial assets and liabilities:-**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements. (₹ in Lakhs)

(₹ in Lakhs)

Particulars	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Asset designated at amortized cost	4.18	4.18	0.88	0.88	3.68	3.68
Cash and bank balances						

**Note 29:- Contingent Liabilities**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
1. Claim against Company not Acknowledged as debts	-	-	-
(a) Estimated Liability in respect of Suit filed by Ex Workers of the Company in Labour Court.(Refer Note 29.1)	-	2.00	10.00
(b) Disputed Liabilities under appeal (Refer note no. 29.2)	-	-	-
- Income Tax Department	-	-	-

**Note 29.1:- Ex-worker's Liability/Claim**

The worker of erstwhile Rohit Pulp and Papers Mills Ltd has filled the case with the labour court in Valsad. During the year, disputed has been disposed off & company has settled the claims of the worker.

**Note 29.2 :- Disputed Tax Liabilities**

**AY 2005-06**

The Company was in appeal before Income Tax Appellate Tribunal regarding the re-opening of the Assessments u/s 148 of Income Tax Act, 1961. The matter was heard in ITAT & order was received in favour of the company.

**AY 2006-07 :-**

The Company was in appeal before Income Tax Appellate Tribunal regarding the re-opening of the Assessments u/s 148 of Income Tax Act, 1961. The matter was heard in ITAT & order was received in favour of the company. The department has filed the appeal against the order of ITAT before Bombay High court.

**Note No. 30:- Segment Reporting**

The 'management approach' as defined in "Ind AS 108 - Operating Segments" requires disclosure of segment-wise information based on the manner in which the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources in cases where a reporting entity operates in more than one business segment. Since the Company is primarily engaged in the business of real estate development which the Management and CODM recognize as the sole business segment, the disclosure of such segment-wise information is not required and accordingly, not provided.

**Note 31:- Joint venture**

a) The company was hitherto jointly developing an area admeasuring 2159 sq. mtrs of slum property with Mr. Vaibhav Kokate. Company has entered into a partnership with Mr. Vaibhav Kokate in a firm named Shree Swami Samarth Builders and Developers (SSSBD) wherein the company has contributed to 50% of the capital to the partnership.

b) By virtue of a registered deed the company has transferred development rights pertaining to 2159 sq. mtrs owned by it to the partnership firm SSSBD. Mr. Vaibhav Kokate has also transferred land belonging to him into the partnership. In lieu of the company transferring the development rights it would be entitled to a percentage of the saleable area post the merger of the two land parcels which would be delivered to the company post obtaining the Occupation Certificate by SSSBD.

c) Further the company is entitled to 37.50% share in the profits of the firm SSSBD less what it would have received during the pendency of the project.

d) There is a mortgage created on the Land and Receivables of the company in favour of ICICI Bank Ltd against term loans sanctioned by them to Shree Swami Samarth Builders and Developers, Partnership Firm.

# CITADEL REALTY AND DEVELOPERS LIMITED

## Note 32:- Balance confirmation

The company has forwarded balances confirmation to all its sundry debtors and creditors. On the basis of information furnished by the Management, the Board is of the opinion that Current Assets, Loans & advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the Accounts except those items which are shown as doubtful or bad.

## Note 33 :- Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 1-Apr-16
Principal amount and interest due thereon remaining unpaid to any supplier as at the year end Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.			
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 the MSMED Act.	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-

## Note 34:- Related Part Transaction

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

- a) Holding Company
  1. Marathon Realty Private Ltd (w.e.f. March 26, 2018)
- b) Associates
  1. Shree Swami Samarth Builders & Developers (Partnership Firm)
  2. Fibre Box Bombay Private Ltd
- c) Key Managerial Personnel
  1. Mr. Veeraraghavan Ranganathan - Chairman
  2. Mr. S. Ramamurthi – Director & C.E.O
  3. Mr. Chetan R. Shah – Director
  4. Ms. Sonal M. Shah - Director
  5. Mr. Nilesh Dand – Director & CFO w.e.f. May 08, 2018
  6. Mr. Devendra Shrimankar – Director
- d) Relatives of Key Management Personnel having transactions during the year
  1. Ms. Ansuya R. Shah (Mother of Director)
  2. Mr. Ramniklal Z. Shah (Father of Director)
  3. Ms. Shailaja C. Shah (Wife of Chetan R Shah-Director)
  4. Mr. Mayur R. Shah – (Brother of Chetan R. Shah -Director)

Particulars	Name	Holding Company		Associate		Key Management Personnel		Relatives of Key Management Personnel	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Rent Expenses	Marathon Realty Private Ltd	2.11	2.07	-	-	-	-	-	-
Reimbursement of Expenses	Marathon Realty Private Ltd	0.13	-	-	-	-	-	-	-
Loan Taken	Marathon Realty Private Ltd	599.00	175.00	-	-	-	-	-	-
Loan Given	Marathon Realty Private Ltd	-	982.00	-	-	-	-	-	-
Loan Repaid	Shree Swami Samarth Builders & Developers	-	-	780.70	(320.85)	-	-	-	-
Conversion of ICD to CCD	Marathon Realty Private Ltd	0.25	-	-	(340.20)	-	-	-	-
Interest Income	Shree Swami Samarth Builders & Developers	-	-	343.59	(340.20)	-	-	-	-
Interest Expenses	Fibre Box India Private Ltd	-	-	125.44	-	-	-	-	-
Dividend paid on Equity	Marathon Realty Private Ltd	24.20	-	-	-	-	-	-	-
Director Sitting Fees	Shree Swami Samarth Builders & Developers	-	-	163.33	84.45	-	-	-	-
	Shree Swami Samarth Builders & Developers	-	-	135.59	41.74	-	-	-	-
	Marathon Realty Private Ltd	9.48	12.22	-	-	-	-	-	-
	Mayur R. Shah	-	-	-	-	-	-	6.23	-
	Chetan R. Shah	-	-	-	-	6.20	-	-	-
	Mr. Veeraraghavan Ranganathan	-	-	-	-	1.90	1.10	-	-
	Mr. S. Ramamurthi	-	-	-	-	2.20	1.20	-	-
	Mr. Chetan R. Shah	-	-	-	-	0.90	0.40	-	-
	Ms. Sonal M. Shah	-	-	-	-	0.70	0.30	-	-
	Mr. Nilesch Dand	-	-	-	-	1.30	0.80	-	-
	Mr. Devendra Shrimankar	-	-	-	-	2.00	0.00	-	-
	Mr. V. Nagarajan	-	-	-	-	-	0.40	-	-
	Mr. V. B. Haribhakti	-	-	-	-	-	0.60	-	-
<b>Outstanding Balances:</b>									
Loan Given	Marathon Realty Private Ltd	-	434.42	-	-	-	-	-	-
	Shree Swami Samarth Builders & Developers	-	-	1629.84	1103.13	-	-	-	-
Loan Taken	Marathon Realty Private Ltd	131.67	-	-	-	-	-	-	-
	Fibre Box India Private Ltd	-	-	243.56	369.00	-	-	-	-
	Shree Swami Samarth Builders & Developers	-	-	815.50	965.50	-	-	-	-
	Fibre Box India Private Ltd	-	-	125.44	-	-	-	-	-
Instrument entirely equity in the nature									
Deposits	Shree Swami Samarth Builders & Developers	-	-	10.00	10.00	-	-	-	-
Capital Contribution in firm	Shree Swami Samarth Builders & Developers	-	-	0.50	0.50	-	-	-	-

**Notes:**

i. All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.  
\*ICD:- Inter Corporate Deposits & CCD:- Compulsorily Convertible Debenture

# CITADEL REALTY AND DEVELOPERS LIMITED

## Note 35:- Corporate Social Responsibility (CSR) Expenditure

Since the Company does not meet the criteria specified under Clause 9 of the Companies Amended (Corporate Social Responsibility Policy) Rules 2016, the said rules are not applicable to the Company.

## Note 36:- Proposed Dividend

Proposed dividend on Equity Shares not recognized:

Particulars	As at 31-Mar-2017
Final dividend for the year ended [ Rs. 1 (P.Y. Rs. nil) per share ]	35.75
Dividend distribution tax on proposed dividend	7.28
	<b>43.03</b>

Note 37:- Previous Year's figure have been regrouped/rearranged, wherever necessary.

For and on behalf of the Board of Directors

### For Bipin Shah & Co.

Chartered Accountants  
(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

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

Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Citadel Realty & Developers Limited Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of **Citadel Realty & Developers Limited** (hereinafter referred to as "the Holding Company") and its joint ventures comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Holding Company and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Boards of Directors of the Holding Company and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding Company and its joint ventures and for preventing and detecting frauds and other irregularities; the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well

as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in subparagraph (i) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the joint ventures, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company and its joint ventures as at March 31, 2018, their consolidated profit, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### Other Matters

The Consolidated Ind AS Financial Statements include Group's share of net loss (including other comprehensive income) of Rs. 24.38 lakhs for the year ended March 31, 2018, as considered in the Consolidated Ind AS Financial Statements, in respect of Partnership Firm, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements are not audited by their auditor and have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this Partnership, is based solely on such unaudited Ind AS financial Statements.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
- d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of

the statutory auditors of its joint venture which is a company incorporated in India, none of the directors of the Holding Company and its joint venture which is a company incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

- f. With respect to the adequacy of the internal financial controls over financial reporting of the the Holding Company and its joint venture which is a company incorporated in India and the operating effectiveness of such controls, we give our separate Report in the "Annexure".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Company and Partnership Firm – Refer Note no. 28 to the Consolidated Ind AS Financial Statements;
  - (ii) The Company and Partnership Firm did not have any material foreseeable losses on long term contracts including derivative contracts;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the joint venture which is a company incorporated in India.
  - (iv) The Company and Partnership Firm which is incorporated in India have provided the requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed by us and based on the report of other auditor, we report that the disclosures are in accordance with the books of account maintained by the Holding Company and one joint ventures which is a company incorporated in India. (Refer Note no. 46 to the Consolidated Ind AS Financial Statements).

For Bipin B. Shah & Co.  
Firm Registration Number: 101511W  
Chartered Accountants

Place:- Mumbai  
Date :- 8th May 2018

Bipin B. Shah  
Proprietor  
Membership Number 013191.

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Citadel Realty and Developers Limited on the Consolidated Ind AS Financial Statements for the year ended March 31, 2018]

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company and its joint venture which is a company incorporated in India, as of that date.

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

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

#### Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, the Holding Company and its joint venture which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to its one joint venture which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

For Bipin B. Shah & Co.  
Firm Registration Number: 101511W  
Chartered Accountants

Place:- Mumbai  
Date :- 8th May 2018

Bipin B. Shah  
Proprietor  
Membership Number:- 013191

# CITADEL REALTY AND DEVELOPERS LIMITED

## Consolidated Balance Sheet as at 31 March 2018

(₹ in Lakhs)

PARTICULARS	Note	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
<b>ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Financial Assets				
(i) Investments	2	37.59	10.20	8.67
(b) Deferred Tax Assets (Net)	3	204.80	211.13	248.82
<b>Total Non - Current Assets</b>		<b>242.39</b>	<b>221.33</b>	<b>257.49</b>
<b>2 Current assets</b>				
(a) Inventories	4	274.45	324.36	663.01
(b) Financial Assets				
(i) Trade Receivables	5	-	13.15	-
(ii) Cash and Cash Equivalents	6	4.17	0.88	3.68
(iii) Bank Balance other than (ii) above	7	1.81	-	-
(iv) Loans	8	1,629.84	1,537.55	442.35
(v) Other Financial Assets	9	-	87.27	-
(c) Other Current Assets	10	11.24	0.73	10.44
<b>Total Current Assets</b>		<b>1,921.51</b>	<b>1,963.94</b>	<b>1,119.48</b>
<b>Total Assets (1+2)</b>		<b>2,163.90</b>	<b>2,185.27</b>	<b>1,376.97</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
(a) Equity Share Capital	11	752.00	357.45	357.45
(b) Instruments entirely equity in nature	12	125.44	-	-
(c) Other Equity	13	35.95	241.34	(155.74)
<b>Total Equity</b>		<b>913.39</b>	<b>598.79</b>	<b>201.71</b>
<b>LIABILITIES</b>				
<b>2 Non Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	14	-	125.00	125.00
(ii) Other Financial Liabilities	15	10.00	10.00	10.00
<b>Total Non Current Liabilities</b>		<b>10.00</b>	<b>135.00</b>	<b>135.00</b>
<b>3 Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	1,190.73	1,334.50	683.50
(ii) Trade Payable	17	-	4.08	4.08
(iii) Other Financial Liabilities	18	1.81	-	-
(c) Current Tax Liabilities (Net)	19	13.59	22.97	10.08
(d) Other Current Liabilities	20	34.39	89.93	342.60
<b>Total Current Liabilities</b>		<b>1,240.51</b>	<b>1,451.48</b>	<b>1,040.26</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>2,163.90</b>	<b>2,185.27</b>	<b>1,376.97</b>

For and on behalf of the Board of Directors

**For Bipin Shah & Co.**

Chartered Accountants

(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

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

Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)

## Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(₹ in Lakhs except EPS)

PARTICULARS	Note	for the year ended 31st March, 2018	for the year ended 31st March, 2017
<b>I</b> Revenue from operations	21	142.16	875.42
<b>II</b> Other Income	22	191.61	93.50
<b>III</b> Total Revenue (I + II)		333.77	968.92
<b>IV EXPENSES</b>			
(a) Cost of construction/development, land, plots and development rights		-	-
(b) Change in inventory	23	49.91	338.65
(c) Finance costs	24	136.21	53.97
(d) Other expenses	25	41.10	34.06
<b>V Total Expenses (IV)</b>		<b>227.22</b>	<b>426.68</b>
<b>VI Profit before tax (III - V)</b>		<b>106.55</b>	<b>542.24</b>
<b>VII</b> Tax Expense			
(1) Current tax		20.19	107.46
(2) Short provision of tax in earlier year		0.25	-
(3) Deferred tax	3.1	6.33	37.70
<b>VIII Total tax expense (VII)</b>		26.77	145.16
<b>IX</b> Profit after tax (VI - VII)		79.78	397.08
<b>X</b> Share in Profit From Partnership Firm		27.39	-
<b>XI Profit for the period (IX+X)</b>		107.17	397.08
<b>XII</b> Other comprehensive income		-	-
<b>XIII</b> Total Other Comprehensive Income (XII)		-	-
<b>XIV</b> Total Comprehensive income for the year (XI + XIII)		107.17	397.08
<b>XV Profit attributable to</b>			
Owners of the company		107.17	397.08
Non-controlling interest		-	-
<b>XVI</b> Earnings per equity share (Face Value ₹ 10)			
(1) Basic	26	1.45	5.41
(2) Diluted	26	1.44	5.41

For and on behalf of the Board of Directors

**For Bipin Shah & Co.**Chartered Accountants  
(Firm's Registration No. 101511W)V.Ranganathan  
Chairman  
(DIN:- 00269682)S.Ramamurthi  
Director & CEO  
(DIN:- 00135602)Nilesh Dand  
Director & CFO  
(DIN:- 00199785)Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018Anuja Dube  
Company Secretary  
(ACS44198)

Consolidated Cash Flow Statement for the year ended 31 March 2018

(₹ in Lakhs)

PARTICULARS		for the year ended 31st March, 2018	for the year ended 31st March, 2017
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before tax:	133.94	542.24
	Adjustment for:		
	Finance Cost	136.21	53.97
	Share of Profit from Firms	-	(1.53)
	<b>Operating profit before Working Capital changes</b>	<b>270.15</b>	<b>594.68</b>
	<u>Adjustments for changes in Working capital</u>		
	(Increase)/Decrease in Inventories	49.91	338.65
	(Increase)/Decrease in Trade Receivables	13.15	(13.15)
	(Increase)/Decrease in Financial Assets - Loan - Non current	(92.28)	(1,095.20)
	(Increase)/Decrease in Financial Assets Others - Non current and current	87.27	(87.27)
	(Increase)/Decrease in Other Non-current and current assets	(10.52)	9.74
	Increase/(Decrease) in Trade Payables	(4.08)	-
	Increase/(Decrease) in Other Financial current liabilities	(55.54)	(252.69)
	Increase/(Decrease) in Financial Liabilities Others - Non current and current	1.81	-
	Increase/(Decrease) in Provisions - Non current and current	(9.38)	12.89
	<b>Cash generated from/ (used in) operations</b>	<b>(19.66)</b>	<b>(1,087.05)</b>
	Income taxes (paid)	20.44	107.46
	<b>Net Cash from / (used in) operating activities</b>	<b>(40.10)</b>	<b>(1,194.51)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Non Current Investments made	(27.39)	(1.53)
	Amounts received/(Invested) from partnership firms & LLPs	-	1.53
	Other Bank Balances	(1.81)	-
	<b>Net Cash from/(used in) investing activities</b>	<b>(29.20)</b>	<b>0.00</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Repayment of Long term borrowings	(18.33)	651.00
	Dividend (Including Tax on Dividend) paid	(43.02)	-
	Finance cost paid	(136.21)	(53.97)
	<b>Net Cash from/(used in) financing activities</b>	<b>(197.56)</b>	<b>597.03</b>
	<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>3.29</b>	<b>(2.80)</b>
	<b>Cash and Cash Equivalents (Opening balance)</b>	<b>0.88</b>	<b>3.68</b>
	<b>Cash and Cash Equivalents (Closing balance)</b>	<b>4.17</b>	<b>0.88</b>
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		
	<b>See accompanying notes forming part of the financial statements</b>		

1.1 Component of Cash & Cash Equivalent

(₹ in Lakhs)

Component of Cash & Cash Equivalent	Year ended 31 March 2018	Year ended 31 March 2017
Cash in hand	0.07	0.19
Balance With Bank	4.10	0.69
	<b>4.17</b>	<b>0.88</b>

**DISCLOSURE AS REQUIRED BY IND AS 7**

1.2 Reconciliation of liabilities arising from financing activities for the year ended March 31,2018

(₹ in Lakhs)

Particular	Opening balance	Cash flows	Non cash changes	Closing balance
(i) Repayment of Long term borrowings (Refer note no.12.3 & 1.3 of cash flow statement)	1459.50	(18.33)	(250.44)	1,190.73
(ii) Trade Payable (Refer note no. 1.4cash flow statement)	4.08		(4.08)	-
	<b>1463.58</b>	<b>(18.33)</b>	<b>(254.52)</b>	<b>1190.73</b>

1.3 Non cash change is pertain to conversion of borrowing in to Equity share & CCD's (Refer note no. 12.1 & 12.2 of financial statement)

1.4 During the period under review Trade payable no longer payable was written off.

For and on behalf of the Board of Directors

**For Bipin Shah & Co.**

Chartered Accountants  
(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

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

Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)

# CITADEL REALTY AND DEVELOPERS LIMITED

## Consolidated Statement of Changes in Equity

### a) Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance As at 1 April 2016	357.45
Change for the year	-
Balance As at 31 March 2017	<b>357.45</b>
<b>Change for the year</b>	
Add:- On conversion of Compulsorily Convertible Preference Shares to Equity shares	18.55
Add:- Issue of Bonus Shares	376.00
<b>Balance As at 31 March 2018</b>	<b>752.00</b>

### b) Instruments entirely equity in nature

Particulars	Compulsorily Convertible Preference Shares	Compulsorily Convertible Debentures
Balance As at 1 April 2016	-	-
Change for the year	-	-
Balance As at 31 March 2017	-	-
Change for the year	-	-
Issue of instrument entirely equity in the nature	125.00	125.44
Conversion in to Equity	(125.00)	-
<b>Balance As at 31 March 2018</b>	-	<b>125.44</b>

### c) Other Equity 15-16

(₹ in Lakhs)

Particulars	Reserve and Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1 April 2015</b>	513.513	(753.14)	(239.62)
Profit for the year	-	83.89	83.89
Other Comprehensive Income	-	-	-
Dividend paid (Including Dividend Distribution Tax)	-	-	-
<b>Balance at the 31 March 2016</b>	<b>513.51</b>	<b>(669.25)</b>	<b>(155.73)</b>

### d) Other Equity 16-17

(₹ in Lakhs)

Particulars	Reserve and Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1 April 2016</b>	513.513	(669.25)	(155.73)
Profit for the year	-	397.08	397.08
Other Comprehensive Income	-	-	-
Dividend paid (Including Dividend Distribution Tax)	-	-	-
<b>Balance at the 31 March 2017</b>	<b>513.51</b>	<b>(272.17)</b>	<b>241.35</b>

e) Other Equity 17-18

(₹ in Lakhs)

Particulars	Reserve and Surplus		
	Securities Premium Reserve	Retained Earnings	Total
<b>Balance as at 1 April 2017</b>	513.51	(272.18)	241.34
Add : Additions on account of conversion of Preference Share (Refer note no. 14.1)	106.45		1 06.45
Less:- Capitalization for issue of Bonus Shares	376.00		376.00
Profit for the year		107.17	107.17
Other Comprehensive Income		-	0.00
Dividend paid (Including Dividend Distribution Tax)		43.02	43.02
<b>Balance at the 31 March 2018</b>	<b>243.97</b>	<b>(208.03)</b>	<b>35.94</b>

For and on behalf of the Board of Directors

**For Bipin Shah & Co.**

Chartered Accountants  
(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

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

Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)

# CITADEL REALTY AND DEVELOPERS LIMITED

## Notes forming part of the Consolidated financial statements

### Note: 1 Corporate Information

Citadel Realty & Developers Limited ("the Company") formerly known as Rohit Pulp & Papers Mills Ltd is a Company registered under the Companies Act, 1956. The Company is a leading real estate developer engaged primarily in the business of Real Estate construction, development and other related activities. The Company is domiciled in India and is listed on BSE Limited (BSE). The consolidated financial statement comprises financial statements of the Company together with its joint arrangements (collectively referred to as the 'Group') for the year ended March 31, 2018.

#### 1 Significant Accounting Policies

##### A Statement of Compliance:-

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Up to the year ended 31 March 2016, the company has prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the company's first Ind AS financial statements. The date of transition to Ind AS is 1 April 2017. Refer note no. 28 for the details of first-time adoption exemptions availed by the Company

##### 1.1 Basis of Preparation of Financial Statements :-

- a. The financial statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") as applicable.

The financial statements up to the year ended 31st March 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for purposes of Ind AS 101.

Refer Note 28 for an explanation of how the transition from the previous GAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company.

##### b. Historical Cost Convention:-

The financial statements have been prepared on a historical cost basis, except for Certain financial assets and liabilities that is measured at fair value.

##### c. Functional and Presentation Currency:-

These financial statements are presented in Indian rupees, which is also the functional currency of the Company.

##### 1.2 Basis of consolidation:-

The consolidated financial statements comprise of financial statements of the Company and its Associate for which the Company fulfils the criteria pursuant to Ind AS 110 and associate within the scope of Ind AS 28.

Associates is entity over which the company has significant influence but not control. Investment in associate is accounted for using equity method of accounting. The investment is initially recorded at cost and carrying amount is increased or decreased to recognized the investor's share of profit or loss of investment after the acquisition date. The group's investment in associates includes goodwill identified on acquisition.

- 1.3 The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumption. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate change in estimates are made as management become aware of change in circumstances surrounding the estimates. Change in estimates are reflected in the financial statements in the period in which changes are made and if material, their effect are disclosed in the notes to the financial statements.

##### 1.4 Critical Accounting Estimates:-

##### a. Revenue Recognition:-

Revenue is recognized using the "Percentage Completion Method" in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" issued by Institute of Chartered Accountants of India. Use of percentage completion method requires the Company to estimate the total project revenue, project cost to complete and stage of completion. The stage of completion is again estimated based on cost incurred and certificate of architect. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimate at the reporting date

##### b. Income taxes:-

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions

##### c. Deferred Tax:-

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. In addition, significant judgment is required in assessing the impact of any legal or economic limits.

**d. Evaluation of Control:-**

The assessment as to whether the Group exercises control, joint control or significant influence over the entities in which it holds less than 100 percent voting rights.

The Group makes assumptions, when assessing whether it exercises control, joint control or significant influence over entities in which it holds less than 100 percent of the voting rights. These assumptions are made based on the contractual rights with the other shareholders, relevant facts and circumstances which indicate that the Group has power over the potential subsidiary or that joint control exists. Changes to contractual arrangements or facts and circumstances are monitored and are evaluated to determine whether they have a potential impact on the assessment as to whether the Group is exercising control over its investment

**e. Fair Value Measurements:-**

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets wherever applicable. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on 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.

**1.5 Revenue Recognition**

Real Estate Project:-

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognized upon transfer of significant risk and reward of ownership of such real estate project as per the terms of contracts entered into with the buyers, which generally coincides with the firming of sale contracts / agreements. Where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and reward, revenue in such cases is recognized by applying percentage of completion method only if the following threshold have been met:

- i) All Critical approvals necessary for commencement of the project have been obtained.
- ii) the expenditure incurred on construction and development costs (excluding land cost) is not less than 25% of the total estimated construction and development costs:
- iii) at least 25% of the saleable project area is secured by contracts / agreements with buyers; and
- iv) at least 10% of the contracts / agreement value are realized at the reporting date in respect of such contracts / agreement.

**Other income:-**

- The Company's share in profit / loss from a firm / LLP / AOP where the Company is partner / member, is recognized when the same is credited to the Company's account on the basis of audited accounts of such firm / LLP / AOP, as per the terms of partnership deed.

- Interest income is recognized on time proportionate basis

**1.6 Borrowing cost:-**

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset, during the period of time that is necessary to complete and prepare the asset for its intended use.

Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method. Other borrowing costs are expensed in the period in which they are incurred.

**1.7 Inventories:-**

Inventory comprises of stock of Land and properties under construction (Work in Progress). Work In Progress comprises cost of land, development rights, construction and development cost, cost of material, services and other overheads related to projects under construction. Inventory is valued at cost or net realizable value whichever is lower.

**1.8 Cash Flow Statement:-**

Cash flows are reported using the Indirect method, whereby profit for the year is adjusted for the effect of transactions of a non-cash nature, any deferral or accruals of the past or future operating cash receipt or payment and item of income or expenses associated with investing cash flow. The cash flow from operating, investing & financing activities of the company are segregated. The Company has considered all highly liquid investment that are readily convertible to know amount of cash to be cash equivalent.

**Amendment to Ind As 7:-**

Effective April 1,2017, the company adopted the amendment to Ind As 7,which requires the entities to provide disclosure that enable users of the financial statement to evaluate changes in liabilities arising from financing activities , including both changes arising from cash flow & non cash changes, Suggesting inclusion of a reconciliation between the opening & closing balances in the Balance Sheet for the liabilities arising from financing activities to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statement.

**1.9 Earnings Per Share :-**

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

**1.10 Current and Deferred Taxes :-**

**Current Tax :-**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from

the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

## **Deferred Tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

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

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

## **1.11 Provisions, Contingent Liabilities and Contingent Assets:-**

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

Contingent liabilities and Contingent assets are not recognized in the financial statements.

## **1.12 Operating Cycle:-**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current

## **1.13 Financial Instruments:-**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in profit or loss.

### **Effective interest method :-**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### **Financial assets at amortized cost:-**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Financial assets at fair value:-**

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss

### **Financial liabilities and equity instruments :-**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. Financial liabilities are measured at amortized cost using the effective interest method. Financial liabilities at FVTPL are stated at fair value, with gains and losses arising on re-measurement recognized in profit and loss account.

## **1.14 Recent Accounting pronouncements**

### **Ind As 115, Revenue from contracts with customers:-**

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

### **Ind AS 115 Revenue from contracts with customers**

Ind AS 115 was issued on 29 March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognized 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.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS and the guidance note of real estate issued by ICAI. Ind AS 115 is applicable to the Group for annual periods beginning on or after April 1, 2018.

**Notes forming part of the consolidated financial statements**

(All amounts are in INR unless otherwise stated)

**Note 2 - Investments : Non-Current**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>Investments Carried at:</b>			
A) Cost			
<b>Investments in Partnership Firm</b>			
Shree Swami Samarth Builders & Developers	37.59	10.20	8.67
	<b>37.59</b>	<b>10.20</b>	<b>8.67</b>

**2.1:- details of all partners, capital and profit sharing ratio in partnership firms where company is a partner**

(₹ in Lakhs)

Name of the firm/Partners	2017-18		2016-17		2015-16	
	Profit Sharing Ratio	Fixed Capital	Profit Sharing Ratio	Fixed Capital	Profit Sharing Ratio	Fixed Capital
<b>Shree Swami Samarth Builders &amp; Developers</b>						
Citadel Realty & Developers Ltd	37.50%	0.50	37.50%	0.50	37.50%	0.50
Vaibhav Kokate	62.50%	0.50	62.50%	0.50	62.50%	0.50

**2.2 :- Information about Associates**

(₹ in Lakhs)

Particular	As at 31-Mar-17	As at 01-Apr-16
Cost of Investment	0.50	0.50
Share in Profit /(Loss)	37.09	9.70
<b>Investment in Associates as on March 31,2018</b>	<b>37.59</b>	<b>10.20</b>

**Note 3 - Deferred Tax Assets / (Liabilities)**

(₹ in Lakhs)

Significant components of deferred tax assets and liabilities for the year ended 31 March 2018 :	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Deferred tax assets on:			
(a) carry forward unused tax losses & unabsorbed depreciation	64.29	77.42	248.82
(b) Carry forward unused tax credit (MAT)	140.51	133.71	-
<b>Net Deferred tax assets/(liabilities)</b>	<b>204.80</b>	<b>211.13</b>	<b>248.82</b>

**3.1 Movement in Deferred Tax Assets**

(₹ in Lakhs)

Significant components of deferred tax assets and liabilities for the year ended 31 March 2018 :	Opening balance as on 31-Mar-2017	(Charged) / Recognized to the statement of profit or loss	Closing balance as on 31-Mar-2018
<b>Deferred tax assets:</b>			
Reversal on utilization of carry forward loss & depreciation	211.13	(6.33)	204.8
<b>Net Deferred tax assets/(liabilities)</b>	<b>211</b>	<b>(6.33)</b>	<b>204.80</b>

Significant components of deferred tax assets and liabilities for the year ended 31 March 2017 :	Opening balance as on 01-Apr-2016	(Charged) /	Closing balance as on 31-Mar-2017
<b>Deferred tax assets:</b>			
Reversal on utilization of carry forward loss & depreciation	248.82	(37.70)	211.13
<b>Net Deferred tax assets/(liabilities)</b>	<b>248.82</b>	<b>(37.70)</b>	<b>211.13</b>

# CITADEL REALTY AND DEVELOPERS LIMITED

## 3.2 Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31,2018 and March 31, 2017:

(₹ in Lakhs)

Particular	As at 31-Mar-18	As at 31-Mar-17
Accounting Profit before Income Tax	106.55	542.24
Enacted Income Tax rate	25.75%	33.06%
Tax on accounting profit at enacted rate	27.44	179.28
Adjustment for disallowable expenses	1.53	0.02
Adjustment for Set off of Unused Business Loss & Unabsorbed		
Depreciation	8.78	71.83
<b>Total Income Tax Expenses</b>	<b>20.19</b>	<b>107.46</b>

## Note 4 - Inventories

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(At lower of cost and net realizable value)			
(a) Land and Plots	238.24	288.15	626.80
(b) Construction work-in-progress (Refer note no. 4.1)	36.21	36.21	36.21
<b>Total</b>	<b>274.45</b>	<b>324.36</b>	<b>663.01</b>
4.1:- Construction work in progress is mortgage against loan taken by the firm, Shree Swami Samarth Builders and Developers			

## Note 5 - Trade receivables

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(Unsecured)			
Considered good	-	13.15	-
Considered doubtful	-	-	-
	-	<b>13.15</b>	-
Less : Allowance for doubtful debts	-	-	-
<b>Total</b>	<b>-</b>	<b>13.15</b>	<b>-</b>

## Note 6 - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Balances with banks			
- In current accounts	4.10	0.69	3.57
(b) Cash in hand	0.07	0.19	0.11
<b>Total</b>	<b>4.17</b>	<b>0.88</b>	<b>3.68</b>

## Note 7 - Other Balances with Banks

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Earmarked accounts			
Unclaimed dividend	1.81	-	-
<b>Total</b>	<b>1.81</b>	<b>-</b>	<b>-</b>

## Note 8 - Loans :- Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Unsecured, Considered good			
(a) Loans to related parties (Refer note no. 34)	1,629.84	1,537.55	442.35
	-	-	-
<b>Total</b>	<b>1,629.84</b>	<b>1,537.55</b>	<b>442.35</b>

**Note 9 - Others Financial Assets : Current**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(Unsecured, considered good)			
(a) Interest accrued but not due on loan	-	87.27	-
<b>Total</b>	<b>-</b>	<b>87.27</b>	<b>-</b>

**Note 10 - Other Current Assets**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Prepaid expenses	11.24	0.48	0.46
(b) Balances with government authorities (other than income tax)	-	0.25	0.25
(c) Cenvat Credit	-	-	9.34
(d) Deposits with MSEB	-	-	0.41
<b>Total</b>	<b>11.24</b>	<b>0.73</b>	<b>10.44</b>

**Note 11 - Equity Share Capital**

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>Authorized:</b>			
<b>2,00,00,000 Equity shares of Rs. 10/- each</b>	<b>2,000.00</b>	<b>700.00</b>	<b>700.00</b>
(as at 31 March 2017: 70,00,000 Equity Shares of Rs.10/- each)			
(as at 31 March 2016: 70,00,000 Equity Shares of Rs.10/- each)			
<b>3,00,000 0% Redeemable Preference Shares of Rs.100/-each</b>	<b>300.00</b>	<b>300.00</b>	<b>300.00</b>
(as at 31 March 2017: 3,00,000 0% Redeemable Preference Shares of Rs.100/-each)			
(as at 31 March 2016: 3,00,000 0% Redeemable Preference Shares of Rs.100/-each)			
	<b>2,300.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>Issued, Subscribed and Fully Paid:</b>			
75,19,974 Equity Shares of Rs.10/- each	752.00	357.45	357.45
[as at 31 March 2017 35,74,500 (as at 31 March 2016 35,74,500) Equity Shares of Rs.10/- each]			
<b>Total</b>	<b>752.00</b>	<b>357.45</b>	<b>357.45</b>

**Note 11A: Terms, rights & restrictions attached to equity shares**

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

**11B : Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year**

(₹ in Lakhs)

Particulars	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
A Shares at the beginning of the year	3,574,500	357.45	3,574,500	357.45	3,574,500	357.45
<b>Addition during the year</b>						
On conversion	185,487	18.55	-	-	-	-
issued as Bonus Shares	3,759,987	376.00	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>7,519,974</b>	<b>752.00</b>	<b>3,574,500</b>	<b>357.45</b>	<b>3,574,500</b>	<b>357.45</b>

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## 11C: Details of shares held by each shareholder holding more than 5% equity shares:

(₹ in Lakhs)

Particulars	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Number of Shares held	% holding in that class of shares	Number of Shares	% holding in that class of shares	Number of Shares	% holding in that class of shares
Marathon Realty Private Limited	3,841,764	51.09%	947,587	26.51%	947,587	26.51%
Chetan R. Shah	-	-	622,900	17.43%	622,900	17.43%
Mayur R. Shah	-	-	620,395	17.36%	620,395	17.36%

### Note 11D : Information regarding issue of shares in the last five years:

- During the year on approval of shareholders, the Allotment Committee at its meeting held on November 24, 2017, has allotted 1,85,487 Equity Shares of Rs. 10/- each at premium of Rs. 57.39/- on conversion of Preference Share and said shares are listed on BSE w.e.f. January 08, 2018.
- During the year, The company has issued bonus shares of one equity share for each equity share held on the record date i.e. March 27,2018 by capitalization of Security Premium account. Accordingly, the company has allotted 37,59,987 equity shares as bonus shares March 28,2018. Also Refer note no. 12.2.
- The Company has not undertaken any buy-back of shares.

### Note 11E:

The Company declares and pays dividend in Indian Rupees. The shareholders at the Annual General Meeting held on 10 August 2017 approved a dividend of ₹ 1.00 per share for the year ended 31 March 2017 which was subsequently paid during the year ended 31 March 2018. The amount was recognized as distributions to equity shareholders during the year ended 31 March 2018 and the total appropriation was ₹ 43.20 Lakhs including dividend distribution tax. A final dividend of 31-Mar-2017 1.20 per share has been recommended by the Board of Directors in their meeting held on 8 May 2018 for the financial year 2017-18 subject to the approval of shareholders in the ensuing Annual General Meeting. The proposed dividend of ₹ 53.16 lakhs and dividend distribution tax thereon, of ₹ 8.99 lakhs have not been recognized as liabilities.

### Note 12 - Instruments entirely equity in nature

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>0% Compulsorily Convertible Preference Shares</b>			
<b>Opening Balance</b>			
Add:- issued during the year (Refer note no. 12.1)	125.00	-	-
Less:- converted during the year (Refer note no. 12.1)	(125.00)	-	-
<b>Closing Balance</b>	-	-	-
<b>0% Compulsorily Convertible Debentures</b>			
<b>Opening Balance</b>	-	-	-
Add:- issued during the year (Refer note no. 12.2)	125.44	-	-
Less:- converted during the year (Refer note no. 12.2)	-	-	-
<b>Closing Balance</b>	<b>125.44</b>	-	-
	<b>125.44</b>	-	-

### Note 12.1:

During the year on approval of shareholders, the Allotment Committee at its meeting held on November 24, 2017, has converted redeemable preference shares into Compulsorily convertible Preference shares. As per approval of shareholders, Company has allotted 1,85,487 Equity Shares of Rs. 10/- each at premium of Rs. 57.39/- on conversion of Preference Share and said shares are listed on BSE w.e.f. January 08, 2018.

### Note 12.2:

During year on approval of shareholders, the Allotment Committee at its meeting held on November 24, 2017, has allotted 12,544, 0% Compulsorily Convertible Debentures (CCD'S) of Rs.1,000/- each on conversion of partial Inter Corporate Deposits (ICD's). CCD's will be converted into equity share after 9 months but not later than 18 months from the date of allotment. In terms of Regulation 93 of SEBI(ICDR) Regulation'2009, company has reserved 186,112 equity shares as bonus shares to be issued at the time of conversion to CCD holder.

## Note 13 - Other Equity

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>(a) Securities Premium Account</b>			
Opening balance	513.51	513.51	513.51
Add : Additions on account of conversion of Preference Share (Refer note no. 13.1)	106.45	-	-
Less:- Capitalization for issue of Bonus Shares	376.00	-	-
<b>Closing Balance</b>	<b>243.97</b>	<b>513.51</b>	<b>513.51</b>
<b>(b) Surplus in Statement of Profit and Loss</b>			
Opening balance	(272.18)	(669.25)	(753.14)
Add : Profit for the year	107.17	397.08	83.89
Less: Allocations/Appropriations	-	-	-
Dividend paid (Including Dividend Distribution tax)	43.02	-	-
Closing Balance	(208.03)	(272.17)	(669.25)
<b>Total</b>	<b>35.95</b>	<b>241.34</b>	<b>(155.74)</b>

## Note 13.1:-

During the year on approval of shareholder, company has converted 125,000 preference shares in to 185487 equity shares of face value of Rs. 10/- each at premium of Rs. 57.39/-each

## Note 14 - Borrowings : Non Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) 0% Redeemable Preference Shares (Refer note no. 13.1)	-	125.00	125.00
<b>Total</b>	<b>-</b>	<b>125.00</b>	<b>125.00</b>

## Note 15 - Other Financial Liabilities : Non Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Deposits ( as per term of Joint venture agreement)	10.00	10.00	10.00
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	<b>10.00</b>

## Note 16 - Borrowings

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
<b>Unsecured Borrowings</b>			
<b>Loan Repayable on demand</b>			
(a) Loan from Related party (Refer note no. 34)	1190.73	1334.50	683.50
<b>Total</b>	<b>1,190.73</b>	<b>1,334.50</b>	<b>683.50</b>

## Note 17 - Trade Payable : Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Trade Payable (Refer note no. 32 )			
(a) Outstanding dues of Micro, Small and Medium Enterprises	-	-	-
(b) Outstanding dues of creditors other than from Micro, Small and Medium Enterprises	-	4.08	4.08
<b>Total</b>	<b>-</b>	<b>4.08</b>	<b>4.08</b>

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## Note 18 - Other Financial Liabilities : Current

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Unclaimed dividends	1.81	-	-
<b>Total</b>	<b>1.81</b>	<b>-</b>	<b>-</b>

## Note 19 - Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Income Tax Payable (Net off Advance Tax & TDS credit Rs. 14.42 Lakhs [Rs. 82.73 lakhs As at 31-Mar-2017])	13.59	22.97	10.08
<b>Total</b>	<b>13.59</b>	<b>22.97</b>	<b>10.08</b>

## Note 20 - Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
(a) Advances received from customers	5.27	72.67	288.20
(b) Expenses Payable	3.14	2.60	0.98
(c) Statutory dues (Withhold Tax, GST)	2.10	3.77	17.34
(d) Advance Income	19.50	-	-
(d) Interest accrued but not due	4.38	10.89	36.08
<b>Total</b>	<b>34.39</b>	<b>89.93</b>	<b>342.60</b>

## Note 21 - Revenue from Operations

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-2017
(a) Sale of Properties/Flats (Residential)	122.66	875.42
(b) Other Development charges	19.50	-
<b>Total</b>	<b>142.16</b>	<b>875.42</b>

## Note 22 - Other Income

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-2017
<b>(a) Interest Income</b>	-	-
(i) On Loans & Advances given	187.53	84.46
(b) Profit from Partnership Firms (Net)	-	1.53
<b>(c) Other gain &amp; loss</b>	-	-
(i) Sundry Balances Written Back	4.08	7.51
<b>Total</b>	<b>191.61</b>	<b>93.50</b>

## Note 23 - Change in Inventory

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-2017
<b>(a) Opening Inventory</b>		
Work in Progress	288.15	626.80
Stock in Trade (Land & Plots)	36.21	36.21
<b>Total opening Inventory</b>	<b>324.36</b>	<b>663.01</b>
<b>(b) Closing Inventory</b>		
Work in Progress	238.24	288.15
Stock in Trade (Land & Plots)	36.21	36.21
Total Closing Inventory	274.45	324.36
<b>Total (Change in Inventory = a-b)</b>	<b>49.91</b>	<b>338.65</b>

**Note 24 - Finance Cost**

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-2017
(a) Interest expense on borrowings	135.59	53.97
(b) Interest on delayed payment of statutory dues	0.62	-
<b>Total</b>	<b>136.21</b>	<b>53.97</b>

**Note 25 - Other Expenses**

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-2017
(a) Rent (office)	2.11	2.07
(b) Insurance	0.62	0.60
(c) Rates and Taxes	2.60	11.23
(d) Printing & Stationery (incl. Postage charges)	4.24	2.10
(e) Travelling and Conveyance	0.15	0.16
(f) Legal and professional fees	9.49	8.28
(g) Payment to Auditors (Refer note no. 25.1)	1.07	0.72
(h) Listing fees	2.88	2.29
(i) Ex-Workman Compensation expenses	1.75	-
(j) Director Sitting fees	9.00	4.80
(k) Share issue expenses	4.64	-
(l) Miscellaneous Expenses	2.55	1.76
(m) Donation	-	0.05
<b>Total</b>	<b>41.10</b>	<b>34.06</b>

**Note 25.1:- Payment to Auditors (net off service tax & GST) towards**

(₹ in Lakhs)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-2017
Statutory Audit Fees including fees for quarterly limited reviews	0.62	0.57
Tax Audit Fees	0.15	0.15
Other Services	0.30	-
<b>Total</b>	<b>1.07</b>	<b>0.72</b>

**Note 26 - Earning Per Equity Share**

(₹ in Lakhs except no. of Shares)

Particular	for the year ended 31-Mar-18	for the year ended 31-Mar-2017
<b>Earnings Per Share has been computed as under:</b>		
Profit for the year	107.17	397.08
Weighted average number of equity shares outstanding	7,399,534	7,334,487
<b>Earnings Per Share (₹) - Basic (Face value of ₹ 10 per share)</b>	<b>1.45</b>	<b>5.41</b>
Add: Weighted average number of potential equity shares on account conversion of Compulsorily Convertible Debenture	65,267	-
Weighted average number of Equity shares (including dilutive shares) outstanding	7,464,801	
<b>Earnings Per Share (₹) - Diluted (Face value of ₹ 10 per share)</b>	<b>1.44</b>	<b>5.41</b>

**Note 26.1:-**

During the Period under review, The company has issued bonus shares in the ratio of one equity share for every equity share held on the record date i.e. March 27,2018 by capitalization of Security Premium account. Accordingly, the company has allotted 37,59,987 equity shares as bonus shares. The Earning per Share for the comparative for the comparative periods have been restated to give effect to the allotment of the Bonus share as per requirement of Accounting Standard (IndAs 33) - earning per share.

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## Note 27:- First-time adoption of Ind-AS

The Company has prepared its first Indian Accounting Standards (Ind AS) compliant Financial Statements for the periods commencing 1 April 2017 with restated comparative figures for the year ended 31 March 2016 in compliance with Ind AS. The company had prepared these financial statements in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013. Accordingly, the Balance Sheet, in line with Ind AS transitional provisions, has been prepared as at 1 April 2016, the date of company's transition to Ind AS.

### Notes to the reconciliation between Previous GAAP and Ind AS:-

There is no change in the net profit as presented in accordance with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to total comprehensive income for the year ended 31 March 2017. Therefore, there is no need to for any adjustment for IndAs. In accordance with Ind AS 101 First-time Adoption of Ind AS, the Company has presented below a reconciliation of of shareholder's funds as per the previous GAAP to equity under Ind AS as at 31 March 2017 & 31 March 2016.

There is no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

### **A. First-time adoption – mandatory exceptions, optional exemptions**

Upon transition, Ind AS 101 permits certain exemptions from full retrospective application of Ind AS. The Company has applied the mandatory exceptions and certain optional exemptions, in preparing these financial statements, as set out below:

#### **Mandatory exemptions applied by the Company**

##### Investment in Associates (Partnership Firm):-

The Company has availed the exemption of recording and presenting the investment in Partnership Firm at Previous GAAP carrying amount on the date of transition.

### **B. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

### **Classification and Measurement of Financial Assets**

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

### **C. Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

#### **Reconciliation of Equity**

(₹ in Lakhs)

Particular	As at 01-Apr-16	As at 31-Mar-17
Net worth as per IGAAP	482.45	482.45
Less:- Reclassification of redeemable Preference shares to borrowing	(125.00)	(125.00)
Equity as per Ind AS	357.45	357.45

#### **Reconciliation of Total Comprehensive Income**

(₹ in Lakhs)

Particular	for the year ended 31-Mar-17
Profit after Tax under IGAAP	397.08
=/- Adjustment under IndAS	-
<b>Total Comprehensive Income as per IND AS</b>	<b>397.08</b>

## Note 28:- Financial Risk Management

a. The Companies principal financial liabilities comprise of borrowings, trade and other payable. The main purpose of financial liabilities is to manage finance for the Company's operations. The Company has loan and trade receivables and cash and short term deposits that arise directly from its operations. The Company's activities exposes it to variety of financial risk.

### **(i) Credit Risk:-**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of the financial assets which represents the maximum credit exposure is as follows:

#### **Trade and other receivables:-**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However credit risk with regards to trade receivable is almost negligible in case of its residential sale as the same is done to the fact that in case of its residential sell business it does not handover possession till entire outstanding is received.

#### **Cash and cash equivalents:-**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

**(ii) Liquidity risk:-**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank overdrafts, bank loans, debentures and inter-corporate loans.

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

**(iii) Market Risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to interest rate risk and the market value of certain commodities. Thus, our exposure to market risk is a function of borrowing activities and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in our revenues and costs.

**Interest rate risk:-**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

**Exposure to interest rate risk**

The Group's interest rate risk arises from borrowings . Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing borrowing as reported to the management of the Group is as follows.

Interest Rate Sensitivity	Increase / decrease in point	Effect on profit before tax
For the year ended March 31, 2018 INR Borrowing	+50 (50)	(5.68) 5.68

**Financial instruments and cash deposits**

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

**Liquidity Risk**

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The Company is required to maintain ratios (including total debt to EBITDA / net worth, EBITDA to gross interest, debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable at the option of lenders.

**Competition and price risk:-**

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

**Capital risk management:-**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2018 and March 31, 2017.

**Fair value of financial assets and liabilities:-**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are

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recognized in the financial statements.

(₹ in Lakhs)

Particulars	As at 31-Mar-2018		As at 31-Mar-2017		As at 01-Apr-2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Asset designated at amortized cost	4.18	4.18	0.88	0.88	3.68	3.68
Cash and bank balances						

## Note 29:- Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
1. Claim against Company not Acknowledged as debts	-	-	-
(a) Estimated Liability in respect of Suit filed by Ex Workers of the Company in Labour Court.(Refer Note 29.1)	-	2.00	10.00
(b) Disputed Liabilities under appeal (Refer note no. 29.2)	-	-	-
- Income Tax Department	-	-	-

### Note 29.1:- Ex-worker's Liability/Claim

The worker of erstwhile Rohit Pulp and Papers Mills Ltd has filled the case with the labour court in Valsad. During the year, disputed has been disposed off & company has settled the claims of the worker.

### Note 29.2 :- Disputed Tax Liabilities

#### AY 2005-06

The Company was in appeal before Income Tax Appellate Tribunal regarding the re-opening of the Assessments u/s 148 of Income Tax Act, 1961. The matter was heard in ITAT & order was received in favour of the company.

#### AY 2006-07 :-

The Company was in appeal before Income Tax Appellate Tribunal regarding the re-opening of the Assessments u/s 148 of Income Tax Act, 1961. The matter was heard in ITAT & order was received in favour of the company. The department has filed the appeal against the order of ITAT before Bombay High court.

## Note No. 30:- Segment Reporting

The 'management approach' as defined in "Ind AS 108 - Operating Segments" requires disclosure of segment-wise information based on the manner in which the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources in cases where a reporting entity operates in more than one business segment. Since the Company is primarily engaged in the business of real estate development which the Management and CODM recognize as the sole business segment, the disclosure of such segment-wise information is not required and accordingly, not provided.

## Note 31:- Joint venture

a) The company was hitherto jointly developing an area admeasuring 2159 sq. mtrs of slum property with Mr. Vaibhav Kokate. Company has entered into a partnership with Mr. Vaibhav Kokate in a firm named Shree Swami Samarth Builders and Developers (SSSBD) wherein the company has contributed to 50% of the capital to the partnership.

b) By virtue of a registered deed the company has transferred development rights pertaining to 2159 sq. mtrs owned by it to the partnership firm SSSBD. Mr. Vaibhav Kokate has also transferred land belonging to him into the partnership. In lieu of the company transferring the development rights it would be entitled to a percentage of the saleable area post the merger of the two land parcels which would be delivered to the company post obtaining the Occupation Certificate by SSSBD.

c) Further the company is entitled to 37.50% share in the profits of the firm SSSBD less what it would have received during the pendency of the project.

d) There is a mortgage created on the Land and Receivables of the company in favour of ICICI Bank Ltd against term loans sanctioned by them to Shree Swami Samarth Builders and Developers, Partnership Firm.

## Note 32:- Balance confirmation

The company has forwarded balances confirmation to all its sundry debtors and creditors. On the basis of information furnished by the Management, the Board is of the opinion that Current Assets, Loans & advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the Accounts except those items which are shown as doubtful or bad.

**Note 33 :- Micro, Small and Medium Enterprises**

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

Particulars	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Principal amount and interest due thereon remaining unpaid to any supplier as at the year end Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') , along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-	-
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 the MSMED Act.	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-	-

**Note 34:- Related Part Transaction**

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

- a) Holding Company
  1. Marathon Realty Private Ltd (w.e.f. March 26,2018)
- b) Associates
  1. Shree Swami Samarth Builders & Developers (Partnership Firm)
  2. Fibre Box Bombay Private Ltd
- c) Key Managerial Personnel
  1. Mr. Veeraraghavan Ranganathan - Chairman
  2. Mr. S. Ramamurthi – Director & C.E.O
  3. Mr. Chetan R. Shah – Director
  4. Ms. Sonal M. Shah - Director
  5. Mr. Nilesh Dand – Director & CFO w.e.f. May 08,2018
  6. Mr. Devendra Shrimankar – Director
- d) Relatives of Key Management Personnel having transactions during the year
  1. Ms. Ansuya R. Shah (Mother of Director)
  2. Mr. Ramniklal Z. Shah (Father of Director)
  3. Ms. Shailaja C. Shah (Wife of Chetan R Shah-Director)
  4. Mr. Mayur R. Shah – (Brother of Chetan R. Shah -Director)

# CITADEL REALTY AND DEVELOPERS LIMITED

Particulars	Name	Holding Company		Associate		Key Management Personnel		Relatives of Key Management Personnel	
		March 31,2018	March 31,2017	March 31,2018	March 31,2017	March 31,2018	March 31,2017	March 31,2018	March 31,2017
		(₹ in Lakhs)							
Rent Expenses	Marathon Realty Private Ltd	2.11	2.07	-	-	-	-	-	-
Reimbursement of Expenses	Marathon Realty Private Ltd	0.13	-	-	-	-	-	-	-
Loan Taken	Marathon Realty Private Ltd	599.00	175.00	-	-	-	-	-	-
Loan Given	Marathon Realty Private Ltd	-	982.00	-	-	-	-	-	-
Loan Repaid	Shree Swami Samarth Builders & Developers	-	-	780.70	(320.85)	-	-	-	-
	Marathon Realty Private Ltd	0.25	-	-	(340.20)	-	-	-	-
Conversion of ICD to CCD	Shree Swami Samarth Builders & Developers	-	-	343.59	-	-	-	-	-
Interest Income	Fibre Box India Private Ltd	-	-	125.44	-	-	-	-	-
	Marathon Realty Private Ltd	24.20	-	-	-	-	-	-	-
Interest Expenses	Shree Swami Samarth Builders & Developers	-	-	163.33	84.45	-	-	-	-
	Shree Swami Samarth Builders & Developers	-	-	135.59	41.74	-	-	-	-
Dividend paid on Equity	Marathon Realty Private Ltd	-	12.22	-	-	-	-	-	-
	Marathon Realty Private Ltd	9.48	-	-	-	-	-	-	-
	Mayur R. Shah	-	-	-	-	-	-	6.23	-
	Chetan R. Shah	-	-	-	-	6.20	-	-	-
Director Sitting Fees	Mr. Veeraraghavan Ranganathan	-	-	-	-	1.90	1.10	-	-
	Mr. S. Ramamurthi	-	-	-	-	2.20	1.20	-	-
	Mr. Chetan R. Shah	-	-	-	-	0.90	0.40	-	-
	Ms. Sonal M. Shah	-	-	-	-	0.70	0.30	-	-
	Mr. Nilesh Dand	-	-	-	-	1.30	0.80	-	-
	Mr. Devendra Shrimankar	-	-	-	-	2.00	0.00	-	-
	Mr. V. Nagarajan	-	-	-	-	-	0.40	-	-
	Mr. V. B. Haribhakti	-	-	-	-	-	0.60	-	-
<b>Outstanding Balances:</b>									
Loan Given	Marathon Realty Private Ltd	-	434.42	-	-	-	-	-	-
	Shree Swami Samarth Builders & Developers	-	-	1629.84	1103.13	-	-	-	-
Loan Taken	Marathon Realty Private Ltd	131.67	-	-	-	-	-	-	-
	Fibre Box India Private Ltd	-	-	243.56	369.00	-	-	-	-
	Shree Swami Samarth Builders & Developers	-	-	815.50	965.50	-	-	-	-
	Fibre Box India Private Ltd	-	-	125.44	-	-	-	-	-
<b>Instrument entirely equity in the nature</b>									
Deposits	Shree Swami Samarth Builders & Developers	-	-	10.00	10.00	-	-	-	-
Capital Contribution in firm	Shree Swami Samarth Builders & Developers	-	-	0.50	0.50	-	-	-	-

**Notes:**

i. All Related Party Transactions entered during the year were in ordinary course of the business and are on arm's length basis.

**Note 34:- Additional Information, as required under Schedule III to the Companies Act, 2013, of Consolidated Entities**

a. Statement of Net Assets and Profit/Loss and Other Comprehensive Income considered in Consolidated Financial Statements

	Net Asset i.e.total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	As at 31st March 2018	As % of consolidated profit or loss	Year ended 31st March 2018	As % of consolidated OCI	Year ended 31st March 2018	As % of total comprehensive income	Year ended 31st March 2018
<b>Parent</b> Citadel Realty & Developers Ltd	96%	876.30	79.64%	107.17	0.00%	-	74.45%	79.79
<b>Indian Associates</b> (Investment as per the equity method)								
1. Shree Swami Samarth Builders & Developers	4.06%	37.09	20.36%	27.39	0.00%	-	25.55%	27.39
Adjustment on account of consolidation	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>913.39</b>	<b>100.00%</b>	<b>134.57</b>	<b>0.00%</b>	<b>-</b>	<b>100.00%</b>	<b>107.17</b>

	Net Asset i.e.total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	As at 31st March 2017	As % of consolidated profit or loss	Year ended 31st March 2017	As % of consolidated OCI	Year ended 31st March 2017	As % of total comprehensive income	Year ended 31st March 2017
<b>Parent</b> Citadel Realty & Developers Ltd	98.38%	589.09	100.00%	397.08	0.00%	-	100.00%	397.08
<b>Indian Associates</b> (Investment as per the equity method)								
1. Shree Swami Samarth Builders & Developers	1.62%	9.70	0.00%	-	0.00%	-	0.00%	-
Adjustment on account of consolidation	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>598.79</b>	<b>100.00%</b>	<b>397.08</b>	<b>0.00%</b>	<b>-</b>	<b>100.00%</b>	<b>397.08</b>

Name of the entity in the Group	Net Asset i.e. total assets minus total liabilities	
	As % of consolidated net assets	As at 1st April 2016
<b>Parent</b> Citadel Realty & Developers Ltd	95.95%	193.54
<b>Associates</b> (Investment as per the equity method)		
1. Shree Swami Samarth Builders & Developers	4.05%	8.17
Adjustment on account of consolidation	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>201.71</b>

# CITADEL REALTY AND DEVELOPERS LIMITED

## Note 35:- Corporate Social Responsibility (CSR) Expenditure

Since the Company does not meet the criteria specified under Clause 9 of the Companies Amended (Corporate Social Responsibility Policy) Rules 2016, the said rules are not applicable to the Company.

## Note 36:- Proposed Dividend

(₹ in Lakhs)

Proposed dividend on Equity Shares not recognized:

Particulars	As at 31-Mar-2017
Final dividend for the year ended [ Rs. 1 (P.Y. Rs. nil) per share ]	35.75
Dividend distribution tax on proposed dividend	7.28
	<b>43.02</b>

Note 37:- Previous Year's figure have been regrouped/rearranged, wherever necessary.

For and on behalf of the Board of Directors

### For Bipin Shah & Co.

Chartered Accountants  
(Firm's Registration No. 101511W)

V.Ranganathan  
Chairman  
(DIN:- 00269682)

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

Nilesh Dand  
Director & CFO  
(DIN:- 00199785)

Bipin Shah  
Proprietor  
Membership No. 013191  
Place :- Mumbai  
Date:- 8th May 2018

Anuja Dube  
Company Secretary  
(ACS44198)





**CITADEL REALTY AND DEVELOPERS LIMITED**

Regd. Off.: Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai  
 Tel.: 022 6158 8484 · Fax: 022 6158 8410 E-mail: citadel@marathonrealty.com  
 Website: www.citadelrealty.in CIN: L21010MH1960PLC011764

**Form No. MGT - 11**

**PROXY FORM**

**(Pursuant to Section 105(6) of the Companies Act, 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014)**

Name of the member(s):
Registered address:
E-mail Id:
Folio No/Client Id:
DPID:

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
2. Name \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
3. Name \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 58 th Annual General Meeting of the Company to be held on Friday, August 03, 2018 at 4.00 P.M. at Kilachand Conference Room, 2nd floor, Indian Merchant Chambers, Churchgate, Mumbai 400020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional *	
		For	Against
<b>Ordinary Business</b>			
1	To receive, consider and adopt the Standalone and Consolidated Audited Profit and Loss Account for the year ended 31st March, 2018 and the Balance Sheet as at that date and the Report of the Board of Directors and the Auditors thereon.		
2	To declare Dividend, if any, for the financial year ended on 31st March 2018		
3	To appoint a Director in place of Mr. Chetan Shah, who retires by rotation and being eligible, offers himself for reappointment.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Signature of Proxy Holder

\_\_\_\_\_  
Signature of shareholder

Affix Rs. 1  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting

**CITADEL REALTY AND DEVELOPERS LIMITED**

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 Website: www.citadelrealty.in CIN: L21010MH1960PLC011764

**ATTENDANCE SLIP**

**58TH ANNUAL GENERAL MEETING**

Name of the member(s):

Registered address:

I certify that I am a registered shareholder / Proxy for the registered shareholder of the Company. I hereby accord my presence at the 58 th Annual General Meeting of the Company at Kilachand Conference Room, 2nd floor, Indian Merchant Chambers, Churchgate, Mumbai 400020 on Friday, August 03, 2018 at 4.00 P.M.

Members Name: \_\_\_\_\_

Proxy's Name: \_\_\_\_\_

**Note:**

Members / Proxy's signature

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members / Proxy Holders / Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate Members shall produce authorization issued in their favour.



**Citadel Realty and Developers Limited**

802, Marathon Max,  
Jn. of Mulund-Goregaon Link Road, Mulund (W),  
Mumbai - 400 080.