

CITADEL REALTY AND  
DEVELOPERS LIMITED

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Mulund-Goregaon Link Road,  
Mulund (West), Mumbai - 400 080.  
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CIN: L21010MH1960PLC011764

July 21, 2017

To  
The Department of Corporate Services  
The Bombay Stock Exchange Limited  
1st Floor, P. J. Towers, Dalal Street  
Mumbai 400 001

Dear Sirs,

**Scrip Code: 502445**

**Sub: 57<sup>th</sup> Annual General Meeting of the Company (Regulation 29) &  
Book Closure dates (Regulation 42)**

We write to inform you that:

The 57<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Thursday, August 10, 2017 at 3.30 p.m. at Walchand Hirachand Hall, 4th Floor, IMC, Churchgate, Mumbai 400 020.

Pursuant to Regulation 42 of the SEBI (LODR), Regulations, 2015, the Register of Members and Share Transfer Books of the Company shall remain closed from August 3, 2017 to August 10, 2017 (both days inclusive) for the purpose of dividend declaration.

This is for your information and records.

Thanking you.

Yours faithfully,  
For Citadel Realty and Developers Limited



Nilesh D. Dand  
Director



**CITADEL**  
REALTY & DEVELOPERS LTD.

*57<sup>th</sup>*

**ANNUAL REPORT**

**2016 - 2017**

**DIRECTORS**

MR. V. RANGANATHAN - CHAIRMAN (NON-EXECUTIVE)

MR. CHETAN R. SHAH

MR. NILESH DAND

MR. SUNDARAM RAMAMURTHI - C.E.O.

MRS. SONAL M. SHAH

MR. DEVENDRA J. SHRIMANKER (w.e.f. 29<sup>th</sup> May, 2017)**AUDITORS :**

**BIPIN B. SHAH & CO.**  
**Chartered Accountants**  
 30 Nawab Building, 2nd Floor,  
 D. N. Road, Fort, Mumbai - 400 001.

**BANKERS :**

BANK OF BARODA

**Registered Office :**  
 Marathon Futurex  
 N. M. Joshi Marg,  
 Lower Parel,  
 Mumbai - 400 013.

Contents	Page No.
Board of Directors	2
Notice	3
Director's Report	8
Annexure	13
Extract of Annual Return	14
Secretarial Audit Report	20
Auditor's Report	28
Annexure to the Auditors Report	30
Balance Sheet	32
Profit & Loss Statement	33
Cash Flow Statement	34
Notes of Accounts	35
Proxy / Attendance Slip	45

CITADEL REALTY AND DEVELOPERS LIMITED

NOTICE OF THE FIFTY-SEVENTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 57th ANNUAL GENERAL MEETING of the Members of CITADEL REALTY AND DEVELOPERS LIMITED will be held at Walchand Hirachand Hall, 4th Floor, IMC, Churchgate, Mumbai - 400 020 on Thursday, 10<sup>th</sup> August, 2017 at 3.30 p.m. to transact the following business :

**A. ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2017 and the Balance Sheet as at that date and the Report of the Board of Directors and the Auditors thereon.:
2. To declare Dividend of ₹1.00 per Equity share (10%) for the financial year ended 31<sup>st</sup> March 2017.
3. To appoint a Director in place of Mrs. Sonal M. Shah (DIN: 00199734), Director of the Company who retires by rotation and, being eligible, offers herself for re-appointment .
4. To ratify the appointment of the Statutory Auditors of the Company and for the said purpose to consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution.

"RESOLVED THAT pursuant to Section 139 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014 the appointment of M/s. Bipin B Shah & Co., Chartered Accountants (Firm registration No.101511W) as Statutory auditors of the Company for the year 2017-18 be and is hereby ratified and their remuneration be fixed by the Board of Directors on mutually agreed terms and conditions."

**AS SPECIAL BUSINESS:**

5. To consider, and if thought fit, to pass with or without modification(s) the following as an ORDINARY RESOLUTION:

"RESOLVED THAT Mr.Devendra J. Shrimanker (Din No.00385083), who was appointed as an Additional Independent Director on 29th May 2017 and who holds office up to the date of this Annual General Meeting under Section 161 of the Companies Act 2013 and in respect of whom the Company has received a notice under Section 160 of the Companies Act, 2013 and sub-Section 6 of Section 152 of the Companies Act 2013) be and is hereby appointed as a Director of the Company"

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") as amended from time to time, including any modification or amendment thereof, Mr.Devendra J Shrimanker (DIN:00385083), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company to hold office for a term upto 5 (five) consecutive years initially from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the calendar year 2022 and he is not liable to retire by rotation."

Regd. Office:  
Marathon Futurex,  
N. M. Joshi Marg, Lower Parel (W),  
Mumbai - 400 013.  
Dated : 29<sup>th</sup> May, 2017

By Order of the Board

S. Ramamurthi  
Director & C.E.O.

**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. Explanatory Statement pursuant to Section 102(2) of the Companies Act, 2013 is annexed hereto.
3. The Register of Members and Share Transfer Books shall remain closed from August 3, 2017 to August 10, 2017 (both days inclusive)

**REQUEST TO MEMBERS :**

1. 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.
2. Members are requested to notify immediately, changes in their address, if any, to the Company's Registrar & Transfer Agents, quoting their folio numbers.
3. 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.
4. Members / Proxy holders are requested to produce at the entrance, attendance slips duly completed and signed for admission to the Meeting Hall.
5. 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.
6. 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.
7. 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.
8. 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 :

- A. In case a member receives an e-mail from NSDL (for members whose e-mail addresses are registered with the Company Depositories):
  1. Open the e-mail and also open PDF file with your Client ID or Folio No. as password. The said file contains your user ID and password for e-voting. Please vote that the password.
  2. Open the internet browser and type the following URL: <https://evoting.nsd.com>
  3. Click on Shareholder – Login
  4. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  5. If you are logging for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  6. The password change menu will appear on screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  7. Once the e-voting homepage opens, click on e-voting > Active e-voting cycles.
  8. Select "EVEN" (E-Voting Event Number) of Citadel Realty and Developers Limited. Now you are ready for e-voting as Cast Vote page opens.
  9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  10. Upon confirmation, the message "Vote cast successfully" will be displayed.
  11. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  12. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy of (PDF/JPG format) of the relevant Board Resolution / Authority letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through 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)

13. In case of any queries, you may refer the frequently Asked Questions (FAQs) - Shareholders and e-voting user manual, Shareholders, available at the downloads section of [www.evoting.nsd.com](http://www.evoting.nsd.com)

- B. In case a Member receives physical copy of the Ballot papers alongwith Notice of AGM (for Members whose email addresses are not registered with the Company / Depositories):
  1. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
  2. Please follow all steps from S.No.(2) to Sr.No.(13) above to cast vote.
- A. Other instructions:
  1. The e-voting period commences on August 5, 2017 (at 10.00 a.m IST), and ends on August 9, 2017 (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 August 3, 2017, 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.
  2. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on August 3, 2017 and as per the Register of Members of the Company.
  3. Mr. Nitin R. Joshi, Practicing Company Secretary (Membership No. 1884) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Postal Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
  4. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses 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.
  5. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach Scrutinizer in the enclosed postage pre-paid self-addressed envelope, not later than August 9, 2017 (at 5.00 p.m. IST). Ballot Forms deposited in person or sent by courier by post or courier at the expenses of the Member will also be accepted.

Members have the option to request for physical copy of the Ballot form by sending an e-mail to [rajeshm@bigshareonline.com](mailto:rajeshm@bigshareonline.com) by mentioning their Folio/DP ID and Client ID No. However, the duly completed Ballot form should reach the Scrutinizer not later than August 9, 2017 (at 5.00 p.m. IST).

Ballot Form received after this date will be treated as invalid.

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.

6. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.citadel@marathonrealty.com](http://www.citadel@marathonrealty.com) 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 10, 2017 and communicated to BSE Limited, where the shares of the Company are listed.

**ANNEXURE TO THE NOTICE:**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013**

**Item No.5 Appointment of Mr. Devendra J. Shrimanker**

The Board of Directors at their meeting held on the 29<sup>th</sup> May 2017 had appointed Mr. Devendra J. Shrimanker as an Additional (Independent) Director of the Company. Pursuant to Section 161 of the Companies Act 2013, he holds office up to the date of the ensuing Annual General Meeting. Notice along with the necessary deposit has been received from a member under Section 160 and sub-Section 6 of Section 152 of the Companies Act 2013 proposing the appointment of Mr. Devendra J. Shrimanker as a Director of the Company.

**Brief Profile:**

**Shri Devendra J. Shrimanker**

1.	Full Name	Devendra J. Shrimanker
2.	Father's Name	Jashwantraai Nandlal Shrimanker
3.	Date of birth	9 <sup>th</sup> October, 1965
4.	DIN	00385083
5.	Brief write up about the Director	He is Bachelor of Commerce and a Fellow Member of The Institute of Chartered Accountant of India. He is Partner in M/s. A. J. Shah & Co., Chartered Accountant Mumbai. He has more than 25 years experience in the field of Taxation, Accounting & Auditing. He is an Independent Director at M/s. Pentokey Organy (I) Ltd., & Chairman of the Audit Committee of the Company.
6.	Experience :-	28 Years

It is now proposed to appoint Mr. Devendra J. Shrimanker as Independent Director of the Company under Section 149 of the Act who will hold office for a term of 5 (five) consecutive initially years from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the calendar year 2022 and he is not liable to retire by rotation.

The above mentioned Director is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received declaration from Mr. Devendra J. Shrimanker that he meets the criteria of independence as prescribed under subsection (6) of Section 149 of the Act.

Considering his vast experience, Mr. Devendra J. Shrimanker's presence on the Board will be of immense value to the Company.

A copy of draft letter of appointment as Independent Director setting out the terms and conditions is available for inspection by the Members at the registered office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 10:00 a.m. to 12:00 p.m. up to the date of the AGM.

None of the Directors, Key Managerial Personnel and their relatives thereof other than Mr. Devendra J. Shrimanker and his relatives are concerned or interested in the said resolution for his appointment.

The resolution as set out in Item No.5 of this Notice is accordingly recommended for the approval by the members as a Ordinary Resolution.

Regd. Office:  
Marathon Futurex,  
N. M. Joshi Marg, Lower Parel (W),  
Mumbai - 400 013  
Dated: 29<sup>th</sup> May 2017

By Order of the Board

S. Ramamurthi  
Director & C.E.O



# CITADEL REALTY AND DEVELOPERS LIMITED

## DIRECTORS REPORT

To  
The Members

Your Directors have pleasure in presenting before the shareholders the 57<sup>th</sup> Annual Report together with the Audited Financial Accounts of the company for the year ended 31<sup>st</sup> March, 2017:

### 1. FINANCIAL HIGHLIGHTS:

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

Particulars	Financial Year ended 31 <sup>st</sup> March, 2017	Financial Year ended 31 <sup>st</sup> March, 2016
	(Amount in ₹)	(Amount in ₹)
Revenue from Operations	6,75,42,113	3,72,95,633
Other income	91,96,716	26,01,460
Total Revenue	9,67,38,829	3,98,97,093
Operating Expenses	3,72,71,384	1,79,64,760
EBITDA	5,94,67,445	2,19,32,333
Depreciation and Amortisation		
EBIT	5,94,67,445	2,19,32,333
Interest and Finance charge	53,97,183	40,08,510
Earning Before Tax (EBT)	5,40,70,262	1,79,23,824
Less: Taxation:		
- Current Tax	1,07,46,322	28,00,500
- Deferred Tax	73,10,505	7,551,206
- Minimum Alternate Tax (MAT) Credit	(1,33,70,630)	
Profit/Loss After Tax	3,95,54,379	75,72,117
Share of profit in Partnership firm	152,855	816,726
Profit (Loss) for the period from continuing operations	3,97,07,234	83,88,844
Earning Per Share	11.11	2.35
Diluted Earning Per Share	11.11	2.35

### 2. DIVIDEND:

During the year under review your Company has posted a profit after tax of ₹ 3,97,07,234/-. This has resulted in an earning per share of ₹ 11.11/-

Enthused by the stellar performance of your Company your Directors are pleased to recommend a dividend of ₹1.00 per equity share for the financial year ended 31<sup>st</sup> March 2017 amounting to ₹ 43,02,184/- (inclusive of tax of ₹ 7,27,684/-). The dividend payout is subject to the approval of members at the ensuing 57<sup>th</sup> Annual General Meeting. This is the first dividend that your Company has paid since assuming management control of the Company during 2007-2008.

In terms of AS 4(revised) the provision for dividend would not be reflected in the financial statement but would be accounted for in the year in which the same is declared/paid. However the dividend to be paid is reflected in the notes to the accounts.

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

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

### 4. RESERVES:

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

### 5. OPERATION OF COMPANY:

On the standalone basis the Total income of the company for the financial year ended March 31,2017 stood ₹ 8.75 crores as against ₹ 3.73 crores for the corresponding Financial Year ended March 31,2016. The Company for the financial year ended March 31,2017 earned profit of ₹ 3.97 crores as against the profit of ₹ 0.83 crores for the corresponding Financial Year ended March 31,2016.

The Company has made considerable progress in Slum Rehabilitation Project at Bhandup. The Board of Directors are of the view that substantial portion of the project would be completed during the current financial year.

a. Apart from the profits made by the Company from its entitlement to the area due to it from Shree Swami Samrath Builders and Developers (SSSBD) it is also entitled to 50% share in the profits of the firm SSSBD lest what it would have received during the pendency of the project.

b. The project of SSSBD (Navneet Sadan) has progressed well during the period under review and has been completed to the extent of 90.30% Revenue has accordingly been recognized. This has resulted in an increase in profits as can be seen from the financials.

### 6. FUTURE PROSPECTS:

The Company's line of business is to provide free housing by way of rehabilitating the erstwhile slum dwellers. 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 would be part of the Government's Scheme of Housing for all by 2020.

### 7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred during the financial year ended 31<sup>st</sup> March, 2017.

**8. 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.

**9. PUBLIC DEPOSITS:**

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

**10. 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.

**11. STATUTORY AUDITOR:**

Pursuant to Section 139 of the Companies Act, 2013, M/s. Bipin Shah & Co., Chartered Accountants were appointed as the Auditors of the Company for a period of five years from the conclusion of the 56th Annual General Meeting. In terms of Section 139 of the Companies Act, 2013 members need to ratify the appointment at the ensuing Annual General Meeting.

**12. 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, 2014 is furnished in Annexure I and is attached to this Report.

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

Since the Company does not meet the criteria specified under Clause 9 of the Companies (Corporate Social Responsibility Policy) Rules 2014, the said rules are not applicable to the Company.

**14. 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. The requisite certificate from a Practising Company Secretary confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

**15. 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 31<sup>st</sup> March, 2017 the two Board comprised six Directors including one Woman and Independent Directors.

b. Changes in Directors and Key Managerial Personnel: Mr. V. B. Haribhakti resigned from the Board of Director w.e.f. 11.08.2016 on account of his failing health. Mr. Haribhakti has served on the Board with distinction of 33 years and for the past five years as Chairman of the Board. The Board of Directors place on record their sincere appreciation for his immense contribution during his tenure.

Mr. V. Nagarajan was appointed by the Board on 30<sup>th</sup> January 2017 as an Independent Director of the Company and resigned a Director with effect from 16<sup>th</sup> February 2017 on account of personal reasons.

During the year, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee (NRC), had appointed Mr. Devendra J. Shrimanker as an Additional (Independent) Director w.e.f. May 29, 2017 for the period of five years at the meeting of the Board of Directors held on May 29, 2017 subject to approval of members in ensuing Annual General Meeting and will hold office upto the date of conclusion of 61<sup>st</sup> Annual General Meeting.

As per Provision of Companies Act 2013, Mrs. Sonal M. Shah, Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

c. Number of Board Meetings held during the year ended 31<sup>st</sup> March, 2017 and the dates of the Board Meetings:

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

20<sup>th</sup> May, 2016; 11<sup>th</sup> August, 2016; 14<sup>th</sup> November, 2016 and 30<sup>th</sup> January, 2017

Director's attendance record and details of Directorships / Committee Positions held.

Name of Director	Designation & Category of Directorship	No. of Board Meeting attended
Mr. V. Ranganathan	Chairman Non-Executive Independent Director	4
Mr. S. Ramamurthi	Executive Director & CEO	4
Mr. Nilesh Dand	Non-Executive Director	4
Mr. Chetan R. Shah	Non-Executive Director Promoter	4
Mrs. Sonal M. Shah	Non-Executive Director-Promoter	4
Mr. Devendra J. Shrimanker	Non-Executive Independent Director	1

- Mr. Devendra J. Shrimanker (Din No.00385083), was appointed as an Additional Independent Director at a meeting of the Board of Directors held on 29<sup>th</sup> May 2017 and holds office up to the date of this Annual General Meeting under Section 161 of the Companies Act 2013. The Company has received a notice signifying his candidature along with a requisite deposit under Section 160(1) of the Companies Act, 2013.

**16. 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 09, 2017 have formalized the mode of carrying out such evaluation of all the Directors for the year under review.

**17. BOARD COMMITTEES:**

The Board of Directors has constituted four Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Grievance Committee and Committee of Board of Directors. 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 31<sup>st</sup> March 2017.

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

During the financial year no transactions fall under the purview of Section 188 of the Companies Act, 2013, hence it is not applicable.

**19. SECRETARIAL AUDIT REPORT:**

Secretarial Audit for the Financial year 2016-17 was conducted by a Practising 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 II).

**20. COST AUDITOR:**

Pursuant to Section 148 (1) of the Central Government and Companies (Cost Record & Audit) Rules, 2014 dated June 30, 2014 the appointment of Cost Auditors is not applicable to the Company. However, in compliance of relevant Cost Accounting Records Rules, 2011 a Compliance Report obtained from the practicing cost accountant is uploaded in MCA Portal every year.

**21. VIGIL MECHANISM:**

Vigil Mechanism Policy is already in place 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 proactive 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. ADOPTION OF PREVENTION OF SEXUAL HARASSMENT POLICY:**

"Marathon Group" as a whole has the said Policy under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to be followed by all the Companies in the Group. Formally, this Policy has been adopted by the Company effective from January 30, 2017.

**24. DECLARATION OF INDEPENDENCE:**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under Section 149 of the Companies Act, 2013 issued there under and under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

**25. POLICY FOR DETERMINING MATERIALITY:**

In pursuance of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has adopted this Policy for determination of materiality based on the criteria mentioned in the said regulation ("Material Information") and that the information has been and is being promptly forwarded to the Stock Exchange.

**26. POLICY ON PRESERVATION OF DOCUMENTS:**

In terms of Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Board has adopted this Policy for Preservation of Documents, as required under applicable regulations, adhering to the following mandatory provisions.

To determine preservation period for records/documents based on their reference value and legal requirements. The following aspects are considered while arriving at the preservation period:

- Company's own information retrieval needs (reference value) Statutory requirements under respective statutes.
- Litigation requirements
- To ensure easy retrieval.
- To ensure that unwanted records do not occupy storage space.

**27. 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. That in the preparation of the accounts for the year ended 31<sup>st</sup> March 2017, the applicable amended accounting standards have been followed;
- ii. That 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 31-3-2017;

- iii. That 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. That the annual accounts for the year ended 31<sup>st</sup> March, 2017 have been prepared on the basis that the Company is "Going Concern".
- 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.

**28. 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.

**29. SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, the Independent Directors had, in accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR), met separately and discussed and reviewed, inter-alia, the performance of Non-Independent Directors and the Board as a whole after taking into consideration the views of Executive and Non-Executive Directors.

They also assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that are necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting held on January 9, 2017.

**30. DEMATERIALISATION OF SHARES:**

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

**31. 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 31<sup>st</sup> March, 2017.

**Regd. Office:**

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

Dated : May 29<sup>th</sup>, 2017

On behalf of the Board of Directors

V. Ranganathan  
Chairman

**CERTIFICATE**

To  
The Members of Citadel Realty and Developers Limited

Sub : Declaration by Director under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

I, S. Ramamurthi, Director of Citadel Realty and Developers Limited hereby declare that all Members of the Board of Directors and Senior Management Personnel have affirmed the compliance with the Code of Conduct for the year ended March 31, 2017.

For and on behalf of the Board of Directors

Place : Mumbai  
Dated : 29<sup>th</sup> May, 2017

S. Ramamurthi  
Director & C.E.O.

**ANNEXURE - I**

**CERTIFICATE ON COMPLIANCE FROM THE PRACTISING COMPANY SECRETARY**

Certificate of the Practising Company Secretary has been obtained on the compliance of conditions of the Corporate Governance under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Requirements) Regulations, 2015 and the same is annexed.

**To the Members of  
CITADEL REALTY AND DEVELOPERS LTD.  
Mumbai**

I have examined the compliance of the conditions of Corporate Governance by Citadel Realty & Developers Limited ("the Company") for the year ended 31<sup>st</sup> March, 2017 as stipulated under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Requirements) Regulations 2015, of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination was limited to procedures and implementations thereof, adopted by the company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on such a review 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 SEBI (LODR) Regulations, 2015 of the said Listing Agreement.

On the basis of records maintained by the Shareholders/Investor's Grievance Committee of the Company, I wish to state that there were no investors' / shareholders' grievances pending against the Company for a period exceeding one month.

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

V. Nagarajan  
Practising Company Secretary  
ACS 1107 / CP 5080

Place : Mulund  
Date : 29<sup>th</sup> May, 2017

Form No. MGT - 9

## Extract of Annual Return

as on the Financial Year ended on 31<sup>st</sup> March, 2017

(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	26 <sup>th</sup> 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 (Bombay Stock Exchange Limited)
vii)	Name, Address and contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. E-2, Ansa Industrial Estate, Sakivihar Road Saki Naka, Andheri (E), Mumbai 400072

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

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

## 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
		NONE			

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

I) Category-wise Share Holding as on 31<sup>st</sup> March, 2017

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares		
<b>A. Promoters</b>										
(1) Indian										
a) Individual / HUF	6,22,900	0	6,22,900	17.45	6,22,900	0	6,22,900	17.43	Nil	
b) Central Govt.	0	0	0	0	0	0	0	0	0	
c) State Govt.(s)	0	0	0	0	0	0	0	0	0	
d) Bodies Corp	9,47,587	0	9,47,587	26.51	9,47,587	0	9,47,587	26.51	Nil	
e) Banks / FI	0	0	0	0	0	0	0	0	0	

**CITADEL REALTY AND DEVELOPERS LIMITED**

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
f) Others	6,20,395	0	6,20,395	17.36	6,20,395	0	6,20,395	17.36	Nil
Sub-total (A) (1):	21,90,882	0	21,90,882	61.29	21,90,882	0	21,90,882	61.29	Nil
<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):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	21,90,882	0	21,90,882	61.29	21,90,882	0	21,90,882	61.29	Nil

<b>B. Public Shareholding</b>									
<b>1. Institutions</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	Nil
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)	367	875	1242	0.03	367	875	1242	0.03	Nil
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	1,43,395	910	1,44,305	4.15	1,34,303	910	1,35,213	3.78	-0.06
ii) Overseas	0	0	0	0	0	0	0	0	0



b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	723140	305030	1028170	26.77	6,66,503	3,01,286	9,67,789	27.07	+0.30
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	198291	0	198291	5.54	261300	0	2,61,300	7.31	+1.77
c) Others (specify) - Clearing Member - NRI - Trust	8227 3154 33	0 196 0	8227 3350 33	0.23 0.09 0.0009	12796 5049 33	0 196 0	12796 5245 33	0.35 0.15 0.0009	+0.34 +0.06 Nil
Sub-total (B) (2)	10,76,240	3,06,136	13,86,375	36.78	10,79,984	3,02,392	13,82,376	38.67	Nil
Total Public Shareholding (B) = (B) (1) + (B) (2)	10,76,607	3,07,011	13,87,617	38.81	10,80,351	3,03,267	13,83,618	38.70	-0.01
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	32,60,421	3,14,079	35,74,500	100	32,62,764	3,11,736	35,74,500	100.00	0

**ii. Shareholding of Promoters:**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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.	947587	26.51	0	947587	26.51	0	Nil
2.	Mr.Chetan R.Shah	622900	17.43	0	622900	17.43	0	Nil
3.	Mr.Mayur R. Shah	620395	17.35	0	620395	17.35	0	Nil

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the beginning of the year	No change	No change	No change	No change
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change	No change	No change	No change
	At the End of the year	No change	No change	No change	No change

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

Sl. No.	For each of top shareholders	Shareholding at the beginning of the year (01-04-2016)		Shareholding at the end of the year (31-03-2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gandhi Securities & Investment Pvt. Ltd.	92,659	2.59	86,745	2.43
2	Bhupendra R. Shah (HUF)	57,488	1.61	57,488	1.61
3	Mahendra Giridharilal	46,958	1.31	46,958	1.31

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

Sl. No.	For each of top shareholders	Shareholding at the beginning of the year (01-04-2016)		Shareholding at the end of the year (31-03-2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Premila Mahendra Chheda	37,791	1.06	37,791	1.06
5	Hardik M. Chheda	24,631	0.69	37,669	1.05
6	Mahendra Chheda	14,381	0.40	32,145	0.90
7	Hardik Mahendra Chheda	31,423	0.88	31,920	0.89
8	Mahendra Chheda	19,463	0.55	20,077	0.56
9	Cosmos Prime Projects Ltd.	20,000	0.56	20,000	0.56
10	Ravindra Vinayak Bhatvadekar	18,065	0.51	18,065	0.51
11	Neha Hardik Chheda	17,299	0.48	17,493	0.49

Date-wise increase/decrease in other than Promoters Shareholding during the year specifying in the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)

Sl. No.	Name of the shareholder	Date	No. of shares	% of their holding	Reason	Cumulative Shareholding
1	Gandhi Securities & Investment Pvt.Ltd.	16-09-2016	5914	2.43	Sold	86,745
2	Bhupendra P.Shah(HUF)	26-02-2017	2748	1.53	Sold	54,740
		03-03-2017	2748	1.61	Bought	57,488
3	Mahendra Girdharilal	28-02-2017	46958	0.00	Sold	0
		03-03-2017	46958	1.31	Bought	46,958
4	Premila Mahendra Chheda	28-02-2017	37791	0.00	Sold	0
		03-03-2017	37791	1.06	Bought	37,791
5	Hardik M. Chheda	15-07-2016	6695	0.88	Bought	31,326
		22-07-2016	4343	1.00	Bought	35,669
		29-07-2016	2000	1.05	Bought	37,669
		26-02-2017	37669	0.00	Sold	0
		03-03-2017	37669	1.05	Bought	37,669
6	Mahendra A. Chheda	10-06-2016	7069	0.60	Bought	21,450
		17-06-2016	7230	0.80	Bought	28,680
		30-06-2016	950	0.83	Bought	29,630
		15-07-2016	2515	0.90	Bought	32,145
		28-02-2017	32145	0.00	Sold	0
		03-03-2017	32145	0.90	Bought	32,145
7	Hardik Mahendra Chheda	29-04-2015	497	0.89	Bought	31,920
		28-02-2017	31920	0.00	Sold	0.00
		03-03-2017	31920	0.89	Bought	31,290
8	Mahendra A Chheda	08-04-2016	594	0.56	Bought	20,077
		28-02-2017	20077	0.00	Sold	0.00
		03-03-2017	20077	0.56	Bought	20,077
9	Neha Hardik Chheda	16-06-2016	11	0.46	Bought	17,310
		24-06-2016	50	0.48	Sold	17,260
		30-06-2016	133	0.49	Bought	17,393
		15-11-2016	100	0.49	Bought	17,493
		28-02-2017	17,493	0.00	Sold	0.00

v. Shareholding of Directors and Key Managerial Personnel:

Sl.No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the beginning of the year	62,900	17.36%	62,900	17.36%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year		NIL		
*Addition				
*Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL:

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

Sl No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount	
1.	Gross salary	Nil	Nil	Nil	Nil
	(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	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17 (3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total (A)	0	0	0	0
	Ceiling as per the Act	0	0	0	0

**B. Remuneration to other directors:**

(Amt. in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr.V. Ranganathan	Mr.Chetan R. Shah	Mr.S. Ramamamurthi	Mr.V. Nagarajan	Mrs.Sonal M. Shah	Mr.Nilesh D. Dand	Mr.V.B. Haribhakti	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	1,10,000 Nil Nil	0 Nil Nil	0 0 0	30,000 0 0	0 0 0	0 0 0	60,000 Nil Nil	2,00,000
	Total (1)	1,10,000	0	0	30,000	0	0	60,000	2,00,000
2.	• Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	0 Nil	40,000 0 Nil	1,20,000 0 Nil	0 0 Nil	30,000 0 Nil	80,000 0 Nil	0 0 Nil	2,70,000 0 Nil
	Total (2)	0	40,000	1,20,000	0	30,000	80,000	0	2,70,000
	Total (B) = (1+2)	0	0	0	0	0	0	0	4,70,000
	Total Managerial Remuneration	0	0	0	0	0	0	0	
	Overall Ceiling as per the Act	0	0	0	0	0	0	0	

**C. Remuneration to Key Managerial Personnel other than MD / WTD / Manager:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (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				
2.	Stock Option		NIL		
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify				
5.	Others, please specify				
	Total				

**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

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED: 31.03.2017**

To,  
The Members,  
Citadel Realty and Developers Ltd  
Marathon Futurex, N. M. Joshi Marg,  
Lower Parel (W), Mumbai - 400 013.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Citadel Realty And Developers Ltd. (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 financial year ended on March 31, 2017 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowing.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
  4. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014. (Not Applicable to the Company during the Audit Period);
  5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
  6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
  8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

I have also examined compliance with the applicable clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into by the Company with BSE Ltd. I have examined compliance by the Company with the Secretarial Standards issued by the Institute of Company Secretaries of India

I have not examined the accounts for the year ended 31st March 2017 as also the compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review and audit by statutory financial auditors and other designated professionals.

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

I further report that during the period under review the Board consists of only six Directors - four Non-Executive Directors including one woman Director and two Independent Director.

I further report that adequate notice to all directors to schedule the Board Meetings, agenda together with detailed notes on agenda was to be sent at least seven days in advance, through which 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. In this context I wish to report that the management has to improve upon its existing system to ensure compliance of the provisions contained in Section 173 of the Companies Act 2013.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

V. Nagarajan  
Practising Company Secretary  
ACS 1107 C.P.No.5080

Place: Mumbai,  
Dated : 25<sup>th</sup> May 2017

**ANNEXURE "A"**

To  
The Members,  
Citadel Realty And Developers Ltd.,  
Marathon FutureX,  
N. M. Joshi Marg, Lower Parel (W),  
Mumbai - 400 013.

My Report of even date is to be read along with this annexure.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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 text basis to ensure that correct facts are reflected in secretarial records. I earnestly believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I 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. My 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  
Dated : 29<sup>th</sup> May 2017

V. Nagarajan  
Practising Company Secretary  
ACS 1107 CP No.5080

## 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, 2017

### 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 7-9% 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.

A minor blip in the economy was noticed when the Prime Minister announced the demonetization of high value currency. Real Estate was a segment which on the basis of perception suffered initially but the recovery is noticed in the last quarter of FY 2017.

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 favourable terms for long term funding.

#### 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.

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

The Government of India has enacted the Real Estate (Regulation & Development) Act 2016 (RERA) and all the sections of the Act have come into force with effect from May 1, 2017. Maharashtra was one of the first States to notify its rules under the Act and establish Maharashtra Real Estate Regulatory Authority (Maha-RERA)

The Act seeks to address issues like delays, price, quality of construction and titles and other changes.

The RERA, aimed at bringing in transparency and redefining the engagement between the various stake holders, can be a potential game changing event. The level playing field created by RERA would provide much needed confidence to investors and home buyers to take a relook at the sector and make a informed investment decisions. While the Act might transform the way in which the various stake holders operate, it will particularly have a far reaching impact on residential developers, who would need to recalibrate their business practices to stay in the field. The single largest reform that the sector is going to witness is the implementation of RERA. The Real estate sector is one of the most globally recognized sectors and is slated to grow at 30% over the next decade.

#### Impact on Residential Real Estate:

Sales are not just impacted by tax rates but also by sentiment and also on account of the trust deficit which RERA- now seeks to address. That said, if costs do go higher under GST, the lower prevailing current home loans rates could assuage the impact to some extent.

Buyers and investors as well as developers are understandably worried that the final ticket size of homes will increase at 12% GST. Developers are still awaiting further clarity on this., but they know that it is the interest of their business to keep ticket sizes range-bound.

### Industry structure and development

The Company is a part of Marathon Group and is specializing in the execution of Slum Rehabilitation Projects under aegis of the Slum Development Authority.

The Company is jointly developing a slum rehabilitation project in Bhandup situated in the eastern suburbs of Mumbai with Shree Swami Samarth Builders and Developers.

During the year under review:

The Company has made considerable progress in Slum Rehabilitation Project at Bhandup. Substantial portion of the sale building has been completed. The company has transferred the development rights, to Shree Swami Samarth Builders and Developers. It is 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.

The Company is also entitled to 50% share in the profits of the firm SSSBD lest what it would have received during the pendency of the project.

Substantial portion of the project SSSBD (Navneet Sadan) has been completed Revenue has accordingly been recognized. This has resulted in an increase in profits as can be seen from the financials. The Company has proposed a dividend after a gap of two decades.

The Company's line of business is to provide free housing by way of rehabilitating the erstwhile slum dwellers. 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 would be part of the Government's scheme of housing for all by 2020.

The above developments bode well for the company as it has the opportunity to take part in the entire rehabilitation of the slums along with SSSBD.

The Company expects good scope in the future in the line of business..

### Opportunities

As reported earlier, urbanization has been progressing rapidly. The Govt. of Maharashtra has realized that rapid urbanization of Mumbai City is of utmost importance and has accordingly drawn up ambitious plans. Your company should benefit from this move.

### Threats:

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

### 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.

### 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.*



**ANNEXURE TO THE DIRECTORS' REPORT  
REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017.**

**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 code provisions in the Corporate Governance Code set out in Appendix 14 of the Listing Rules (the "CG Code") throughout FY2017.

**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 currently comprises 6 members whose biographical details are set out in the Board of Directors and Senior Management section of this annual report. An updated list of directors of the Company and their respective role and function has been maintained on the website of Bombay Stock Exchange and the Company's website. Updated biographical details of each director are also 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 extensive 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 of the Company are separate to ensure a clear distinction between the Chairman's responsibility to manage the Board and the Chief Executive Officer's responsibility to manage the Company's business. The division of responsibilities between the Chairman and the Chief Executive Officer is clearly established and set out in writing.

**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.

**Number of Board Meetings held during the year ended 31<sup>st</sup> March 2017 and the dates of the Board Meetings :**

Four Meetings of the Board of Directors were held. The dates on which the meetings were held are as follows :

20<sup>th</sup> May 2016, 11<sup>th</sup> August 2016, 14<sup>th</sup> November 2016 and 30<sup>th</sup> January 2017.

**Attendance of each Director at the said Board Meetings and the last AGM**

Name of Director	Designation & Category of Directorship	No. of Board Meeting attended	Attendance at the last AGM
Mr. V. Rangarathnan Chairman	Non-Executive Independent Director	4	Yes
Mr. S. Ramamurthi CEO	Executive Director	4	Yes
Mr. Nilesh Dand	Non-Executive Director	4	Yes
Mr. Chelan R. Shah	Non-Executive Director - Promoter	4	Yes
Mrs. Sonal M. Shah	Non-Executive Director - Promoter	3	Yes
Mr. V. B. Haribhakti*	Non-Executive Independent Director	2	Yes
Mr. Devendra J. Shrimanker**	Non-Executive Independent Director	1	No

\* Mr. V. B. Haribhakti has resigned from the Board with effect from 11<sup>th</sup> August, 2016.

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

Number of other Companies or Committees where the Director (being a Director as on the date of the Directors' Report) is a Director/Chairman

Name of Director/ Chairmanship	Directorship in other companies including private companies in India.	No. of Committee in which Chairman/ Member (other than Citadel Realty and Developers Limited)
Mr V Ranganathan	1	3
Mr.Chetan R. Shah	19	1
Mr.S.Ramamurthi	1	1
Mrs. Sonal M. Shah	4	0
Mr. V.Nagarajan (Upto Feb 16, 2017)	1	3
Mr.Nilesh Dand	4	0
Mr. V.B.Haribhakti (upto 11-05-2016)	5	3

No. of shares held by Non-Executive Directors as on 31<sup>st</sup> March, 2017

Name of Directors	No. of shares held
Mr.VB Haribhakti	Nil
Mr.S.Ramamurthi	Nil
Mr.Nilesh Dand	Nil
Mrs.Sonal M. Shah	Nil
Mr.V Ranganathan	Nil
Mr.V.Nagarajan	Nil
Mr.Chetan R. Shah	6,22,900
Mr. Devendra Shrinanker	

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 appointed/reappointed at the ensuing Annual General Meeting are given below pursuant to Clause 49 of the Listing Agreement:

Name of Director	Mrs. Sonal M Shah	Mr. Devendra J. Shrinanker
Date of Birth	March 23, 1964	October 9, 1965
Date of Appointment	March 25, 2015	May 29, 2017
Qualification	B.Com., LLB.	B.Com., FCA
Expertise in specific functional areas	Mrs. Shah is involved in various activities of the Marathon Group. She has successfully carried out the execution work of Marathon Nagan an affordable housing project which was awarded as the "Best Residential Apartment-Low Cost-Metro" across India by CREDAI in August 2012.	25 Years experience in the field of Taxation, Accounting & Auditing.
Other Companies in which Directorship held	Fibre Box (Bombay) Pvt. Ltd. Ithaca Informatica Pvt.Ltd. Lark Stock Broking Pvt.Ltd. Marathon Infotech Pvt. Ltd.	Shrinanker Securities Pvt. Ltd. Palomino Risk Consulting Private Limited Pentokey Organy (India) Ltd
Other Public Companies in which membership of Committees of Directors held	-	Pentokey Organy (India) Ltd
No. of shares held as on 31.3.2017	Nil	Nil

### 3. AUDIT COMMITTEE:

Terms of Reference:

The terms of reference of this Committee are wide enough, covering matters specified for Audit Committees under the SEBI (LODR) Regulations, 2015.

Four Meetings of the Audit Committee were held during the year ending 31.3.2017. The dates on which the said meetings were held are as follows :

20<sup>th</sup> May 2016, 11<sup>th</sup> August 2016, 14<sup>th</sup> November 2016 and 30<sup>th</sup> January 2017

**Attendance of each Director at the said Audit Committee Meetings**

Name of Director	Designation & Category of Directorship	No. of Audit Committee Meeting attended
Mr. S. Ramamurthi	Non-Executive	4
Mr. V. Ranganathan	Non-Executive Independent Director	4
Mr. V. B. Haribhakti	Non-Executive Independent Director	2
Mr. V. Nagarajan	Non-Executive Independent Director	1

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

The Committee comprises of Mr. S. Ramamurthi as Chairman and Mr. V. Ranganathan and Mr. Nilesh D. Dand as the other members 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. The Share Transfer Committee Meeting was held seven times during the year ended 31.3.2017.

**ii) STAKEHOLDERS GRIEVANCE COMMITTEE.**

The Committee comprises of Mr. V. Ranganathan as the Chairman and Mr. Nilesh D Dand as the other member of the Committee. Since Mr. V. B. Haribhakti has resigned from the Board effective from 11<sup>th</sup> August 2016 he ceased to be a member of the Stakeholders Grievance Committee and Mr. V. Nagarajan has been appointed as a member of the Stakeholders' Committee on 30<sup>th</sup> January 2017 and resigned on 16<sup>th</sup> February, 2017.

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

Non-Executive Directors	Sitting Fees (₹)
Mr. S. Ramamurthi	1,20,000
Mr. Nilesh Dand	50,000
Mr. Chetan R. Shah	40,000
Mr. V. Ranganathan	1,10,000
Mrs. Sonal M. Shah	30,000
Mr. V. Nagarajan	30,000
Mr. V. B. Haribhakti	60,000

**5. NOMINATION AND REMUNERATION COMMITTEE :**

The Committee comprises of Mr. V. Ranganathan, as Chairman of the Committee and Mr. Chetan R. Shah as the other member of the Committee. Since Mr. V. B. Haribhakti has resigned from the Board with effect from 11<sup>th</sup> August, 2016, Mr. V. Nagarajan, has been appointed as a member of the Committee on 30<sup>th</sup> January 2017 and resigned with effect from February 16, 2017.

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.

**6. CODE OF CONDUCT :**

Citadel Realty and Developers Limited has laid down a Code of Conduct for all Board Members of the Company. All Board Members have affirmed compliance of the Code of Conduct. Club this as part of Corporate Governance.

**7. COMPLIANCE OFFICER :**

Mr. S. Ramamurthi, Director & CEO is the Compliance Officer of the Company during the financial year ended 31<sup>st</sup> March 2017.

**8. GENERAL BODY MEETINGS :**

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

Year	Location	Date	Time
2013-14	Kirachand Conference Room, 2nd Floor, Indian Merchant Chambers, Churchgate Mumbai 400020.	14 <sup>th</sup> August 2014	11.30 A.M.
2014-15	Kirachand Conference Room, 2nd Floor, Indian Merchant Chambers, Churchgate Mumbai 400020.	14 <sup>th</sup> August 2015	12.30 P.M.
2015-16	Kirachand Conference Room, 2nd Floor, Indian Merchant Chambers, Churchgate Mumbai 400020.	24 <sup>th</sup> June, 2016	11.30 A.M.

None of the resolutions proposed to be passed at the ensuing Annual General Meeting requires to be put through postal ballot.

**9. DISCLOSURES :**

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 Note No.31 of Accounts in the Annual Report.

None of the transaction with any of the related parties were in conflict with the interest of the Company.

- ii) 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.

**10. MEANS OF COMMUNICATION :**

The Company has published its quarterly results in the Business Standard and Lakshadweep.

**11. 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.

Registered Office : Marathon Futorex, N.M.Joshi Marg, Lower Parel, Mumbai 400 013.

Address for correspondence : 702, Marathon Max, Junction of Mulund- Goregaon Link Rd., Mulund (W), Mumbai 400 080.  
website : www.citadelrealty.in  
Email: citadel@marathonrealty.com

# CITADEL REALTY AND DEVELOPERS LIMITED

## Fifty-Seventh Annual General Meeting:

Date and Time	: August 10, 2017 at at 3.30 p.m.
Venue	: Walchand Hirachand Hall 4 <sup>th</sup> Floor, Indian Merchant Chamber, Churchgate, Mumbai 400020
Financial Year	: 1 <sup>st</sup> April 2016 to 31 <sup>st</sup> March 2017
Date of book closure	: August 03, 2017 to August 10, 2017 (both days inclusive)
Financial Reporting for 2017-18 (tentative)	
1. First quarter result	: second week of August 2017.
2. Half yearly result	: second week November 2017.
3. Third quarter result	: second week of February 2018.
4. Audited Result for the year	: on or before May 30, 2018.
Annual General Meeting on or before September 30, 2018 next year.	
Dividend payment date(s)	: Not applicable.
Listing on stock exchange(s)	: The Stock Exchange Mumbai The Company has paid the Annual listing fees for the period 1 <sup>st</sup> April 2017 to March 2018.
Stock code	: BSE 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:

	COMPANY'S SHARES		SENSEX		
	High	Low	High	Low	Close
April 2016	26.95	23.00	26105.54	24523.20	25636.62
May 2016	24.75	22.5	26837.20	25057.93	26667.96
June 2016	30.60	21.75	27105.41	26911.33	26999.72
July 2016	32.60	28.20	28249.20	27034.14	28051.66
August 2016	32.25	27.35	28532.25	27627.97	28452.17
September 2016	35.20	29.20	29077.28	27716.76	27865.96
October 2016	34.60	27.85	26477.65	27488.30	27930.21
November 2016	35.30	31.00	28029.80	25717.93	26652.81
December 2016	34.00	24.30	26808.76	25753.74	26526.46
January 2017	28.40	23.55	27880.39	26447.06	27655.96
February 2017	38.85	28.40	28065.31	27590.10	28743.32
March 2017	38.65	35.00	29824.62	28716.21	28620.50

## Registrar Transfer Agents

Bigshare Services Pvt. Ltd.  
Bharat Tin Works Building,  
1<sup>st</sup> Floor, Vasant Oasis,  
Makwana Road,  
Andheri (E), Mumbai - 400 059.  
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 31<sup>st</sup> March 2017

Category	No. of shareholders	%	No. of shares	% to total
1-5000	3092	89.99	406975	11.39
5001-10000	166	5.41	142251	3.96
10001-20000	60	2.33	113050	3.18
20001-30000	23	0.67	56573	1.59
30001-40000	13	0.38	44248	1.24
40001-50000	9	0.26	41110	1.15
50001-100000	13	0.38	92987	2.60
>100000	20	0.58	2677006	74.69
Total	3436	100.00	3574500	100.00

## Categories of Shareholders as on 31<sup>st</sup> March 2017:

Category	No. of Shares held	% of Shareholding
Promoter	21,90,882	61.29%
Public	13,82,376	38.68%
FI's, Mutual Funds & Banks	1,242	0.03%
Total	35,74,500	100.00%

## Dematerialization of shares as on 31.3.2017 :-

Total number of 35,74,500 shares, 32,71,233 Equity Shares representing 91.51% are in de-materialized form.

Convertible instruments. As on date, the Company does not have any outstanding Convertible Instruments.

## Secretarial Audit Reports :

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

Quarter ended on	Furnished on
30-06-2016	11-07-2016
30-09-2016	07-10-2016
31-12-2016	11-01-2017
31-03-2017	13-04-2017

**INDEPENDENT AUDITORS' REPORT**

**TO  
THE MEMBERS OF CITADEL REALTY AND DEVELOPERS LIMITED**

**Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of CITADEL REALTY AND DEVELOPERS LIMITED ("the Company"), which comprises the balance sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. 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 financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 the 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 financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2017, and its profit/loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

9. As required by 'the Companies (Auditor's Report) Order, 2016' ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors 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 Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone financial statements Refer Note No. 25 on contingent liabilities to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2017.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
  - iv. The company has provided requisite disclosures in financial statements as to holding as well as dealing in specified bank notes during the period from November 8, 2016 to December 31, 2016. Based on audit procedures and relying on the management representation we report that disclosures are in accordance with the books of accounts maintained by the company and as produced to us by management - Refer Note 15.2 of stand alone financial statement.

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

Bipin Shah  
Proprietor  
Membership Number 013191.

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

Annexure A 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, 2017

- i. 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.
- xi. 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

Bipin Shah  
Proprietor  
Membership Number 013191

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

**Annexure "B" to The Independent Auditor's Report**

**Report on the Internal Financial Controls under Clause (l) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of CITADEL REALTY AND DEVELOPERS LIMITED as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

3. 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

6. 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. 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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**

7. 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**

8. 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, 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 Institute of Chartered Accountants of India.

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

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

Bipin Shah  
Proprietor  
Membership Number 013191



**CITADEL REALTY AND DEVELOPERS LIMITED  
BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2017**

(In ₹)

Particulars		Note No	As at 31.03.2017	As at 31.03.2016
<b>i.</b>	<b>EQUITY AND LIABILITIES</b>	<b>2</b>	<b>48,245,000</b>	<b>48,245,000</b>
		<b>3</b>	<b>24,133,744</b>	<b>(15,573,490)</b>
<b>1</b>	Shareholders' funds			
	(a) Share capital	<b>4</b>	<b>36,900,000</b>	<b>36,900,000</b>
	(b) Reserves and surplus	<b>5</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>2</b>	Non-current liabilities			
	(a) Long-term borrowing	<b>6</b>	<b>96,550,000</b>	<b>31,449,741</b>
	(b) Other liabilities		-	-
<b>3</b>	Current liabilities	<b>7a</b>	<b>407,794</b>	<b>407,794</b>
	(a) Short-term borrowing	<b>7b</b>	<b>8,992,715</b>	<b>34,260,787</b>
	(b) Trade payables	<b>8</b>	<b>2,296,961</b>	<b>1,008,310</b>
	i Outstanding dues of Micro & Small Enterprises	<b>9</b>		
	ii Outstanding dues of creditors other than Micro & Small		<b>218,526,214</b>	<b>137,698,142</b>
	(c) Other current liabilities			
	(d) Short Term Provisions			
	<b>TOTAL</b>	<b>10</b>	<b>1,019,581</b>	<b>666,726</b>
		<b>11</b>	<b>7,741,989</b>	<b>24,832,180</b>
		<b>12</b>	<b>13,395,630</b>	<b>65,447</b>
<b>ii</b>	<b>ASSETS</b>			
<b>1</b>	(a) Non current Investments	<b>13</b>	<b>32,435,994</b>	<b>66,301,700</b>
	(b) Deferred tax assets (net)	<b>14</b>	<b>1,314,736</b>	-
	(c) Other Non current assets	<b>15</b>	<b>88,035</b>	<b>367,361</b>
<b>2</b>	Current assets	<b>16</b>	<b>153,266,586</b>	<b>43,746,223</b>
	(a) Inventories	<b>17</b>	<b>9,263,663</b>	<b>1,468,505</b>
	(b) Trade Receivable			
	(c) Cash and Bank Balances	<b>1</b>		
	(d) Short-term loans and advances			
	(e) Other current assets			
	Significant Accounting policies			
	<b>TOTAL</b>		<b>218,526,214</b>	<b>137,698,142</b>

The accompanying notes 1 to 32 form integral part of the financial statements

As per our report of even date  
For **Bipin B. Shah & Co.**  
Chartered Accountants  
Firm Registration No:101511W

Signature to the Balance Sheet and  
Notes to the Financial Statements  
For and on behalf of the Board

**V. Ranganathan**  
Chairman  
(DIN:- 00269682)

**Chetan R. Shah**  
Director  
(DIN:-00135296)

**Bipin Shah**  
Proprietor  
Membership No. 013191

**S. Ramamurthi**  
Director & Chief Executive Officer  
(DIN:- 00135602)

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

**CITADEL REALTY AND DEVELOPERS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017**

(In ₹)

Particulars		Note No	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
I.	<b>INCOME</b>		87,542,113	
II.	Revenue From Operations	18	9,196,716	37,295,633
III.	Other income	19	96,738,829	2,601,460
IV.	<b>Total Revenue (I + II)</b>			<b>39,897,093</b>
	<b>EXPENDITURE</b>			
	Property Development Expenses	20	33,865,706	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	6,397,183	16,504,852
	Finance Cost	22	3,405,678	4,008,510
	Other expenses	23	42,668,567	1,459,908
V.	<b>Total expenses</b>		<b>54,070,262</b>	<b>21,973,270</b>
VI.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>			17,923,823
VII.	Exceptional items		54,070,262	-
VIII.	<b>Profit before extraordinary items and tax (V - VI)</b>			<b>17,923,823</b>
IX.	Extraordinary Items		54,070,262	-
X.	<b>Profit before tax (VII- VIII)</b>			<b>17,923,823</b>
	Tax expense:		10,746,322	
	(1) Current tax		17,140,191	2,800,500
	(2) Deferred tax		(13,370,630)	7,551,206
XI.	(3) Minimum Alternate Tax (MAT) Credit		39,554,379	-
XII.	<b>Profit After Tax for the period from continuing operations (IX-X)</b>		<b>152,855</b>	<b>7,572,117</b>
XIII.	Share of profit in partnership firm		39,707,234	816,726
XIV.	<b>Profit (Loss) for the period from continuing operations (XI-XIII)</b>			<b>8,388,843</b>
	<b>Earnings per equity share:</b>		<b>11.11</b>	
	<b>Basic (in ₹)</b>	24.a	<b>11.11</b>	<b>2.35</b>
	<b>Diluted (in ₹)</b>	24.b		<b>2.35</b>
	Significant Accounting policies	1		

The accompanying notes 1 to 32 form integral part of the financial statements

As per our report of even date  
For Bipin B. Shah & Co.  
Chartered Accountants  
Firm Registration No:101511W

Signature to the Profit & Loss and  
Notes to the Financial Statements  
For and behalf of Board

Bipin Shah  
Proprietor  
Membership No. 013191

V. Ranganathan  
Chairman  
(DIN:- 00269682)

Chetan R. Shah  
Director  
(DIN:-00135296)

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

S. Ramamurthi  
Director & Chief Executive Officer  
(DIN:- 00135602)

**CITADEL REALTY AND DEVELOPERS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017**

( In ₹ )

Particulars		For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>[A]</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Tax and Extraordinary items	54,070,262	17,923,823
	<b>Adjustments for :</b>		
	Finance Cost	5,397,183	4,008,510
	Share of Profit in Partnership Firm	152,855	816,726
		5,550,038	4,825,236
	<b>Operating Profit/(Loss) before Working Capital changes :</b>	<b>59,620,300</b>	<b>22,749,059</b>
	<b>Adjustments for :</b>		
	Trade Receivables	(1,314,736)	-
	Inventories	33,865,706	16,504,852
	Trade and Other Payables	-	38,809
	Other Current liabilities	(25,268,072)	7,847,004
	Other Current Assets	(7,795,158)	228,116
	Other Non Current Assets	(13,330,183)	-
	Short-term Provision	1,288,651	-
		(12,553,792)	24,618,781
	<b>Cash generated from Operations</b>	<b>47,066,508</b>	<b>47,367,840</b>
	Direct Taxes Paid	(2,624,308)	2,600,500
	<b>Net Cash generated /(used) from operating activities</b>	<b>49,690,816</b>	<b>44,567,340</b>
<b>[B]</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase/ Increase in Non Current Investments	(152,855)	(816,726)
	Short term loans and advances	(109,520,363)	(42,885,540)
	<b>Net Cash generated /(used) in Investing Activities</b>	<b>(109,673,218)</b>	<b>(43,702,266)</b>
<b>[C]</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Interest Paid	(5,397,183)	(4,008,510)
	Short Term Borrowings (Net)	65,100,259	3,149,459
	<b>Net Cash generated/(used) from Financing Activities</b>	<b>59,703,076</b>	<b>(859,051)</b>
<b>[D]</b>	<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(279,325)</b>	<b>6,023</b>
<b>[E]</b>	<b>CASH AND CASH EQUIVALENT AT THE BEGINING OF YEAR</b>	<b>367,361</b>	<b>361,337</b>
<b>[F]</b>	<b>CASH AND CASH EQUIVALENT AT THE END OF THE YEAR (D+E)</b>	<b>88,035</b>	<b>367,361</b>

**Note :**

The cash flow has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements Issued by the Institute of Chartered Accountants of India.

Figures of the Previous Year have been regrouped wherever necessary to confirm to this year's classification.

As per our report of even date  
**For Bipin B. Shah & Co.**  
Chartered Accountants  
Firm Registration No:101511W

For and on behalf of the Board

**Bipin Shah**  
Proprietor  
Membership No. 013191

**V. Ranganathan**  
Chairman  
(DIN:- 00269682)

**Chetan R. Shah**  
Director  
(DIN:-00135296)

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

**S. Ramamurthi**  
Director & Chief Executive Officer  
(DIN:- 00135602)

**CITADEL REALTY AND DEVELOPERS LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**Note 1 Corporate Information - Background**

Citadel Realty & Developers Limited ("the Company") formerly known as Rohit Pulp & Papers Mills Ltd, was incorporated on June 26, 1960. 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).

## Significant Accounting Policies

**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statement of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Amendment Rules, 2016, to the extent applicable, as adopted consistently by the Company. The Financial Statements have been prepared under the historical cost convention, on the basis of going concern and on an accrual basis except as stated otherwise. The accounting policies adopted in the preparation of the financial statement are consistent with those followed in the previous year.

**B. USE OF ESTIMATES**

The preparation of financial statement in conformity with Indian GAAP requires the Management to make estimates & assumptions considered in the reported amount of assets & liabilities (including contingent liabilities) and reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statement are prudent & reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**C. REVENUE RECOGNITION**

- i Revenue in respect of real estate development activities are recognized upon the transfer of significant risks and rewards to the buyer in terms of the underlying sale agreements provided it is not unreasonable to expect ultimate collection. The company perceives that risks and rewards stand transferred to the intended buyer on :
  - a. Completion of Registration of Sale Agreements with the appropriate authorities,
  - b. On satisfying of conditions prescribed in the relevant Accounting Standard for revenue recognition and the Guidance Note issued by Institute of Chartered Accountants Of India pertaining to "Accounting For Real Estate Transactions " Revised 2012.
- ii The estimates relating to percentage of completion, costs to completion, area available for sale etc. being of a technical nature are reviewed and revised periodically by the Management and are considered as change in estimates.
- iii In case of joint development projects, revenue is recognised to the extent of Company's percentage share of the underlying real estate development project which is determine as per guidance note issued on "Real Estate" by ICAI.
- iv Share of profit (Loss) from partnership firms/LLPs in which the Company is partner is recognized based on the financial information provided and confirmed by the respective firms.
- v Interest Income on loans given is recognised on time proportionate basis as per the terms of loans given .

**D. INVENTORIES**

Inventories are valued as under:

- a) Completed Flats:- at lower of cost or net realisable value
- b) Construction Work in Progress:- At Cost

Construction Work-in-Progress includes cost of land, premium for development rights, construction costs, allocated interest and expenses incidental to the projects undertaken by the Company

**CITADEL REALTY AND DEVELOPERS LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**E. INVESTMENTS**

Investments are classified into long term and current investments.

Long-term investments are carried at cost. Provision for diminution, if any, in the value of each long-term investment is made to recognize a decline, other than of a temporary nature.

Current investments are carried individually at lower of cost and fair value and the resultant decline, if any, is charged to revenue.

**F. BORROWING COSTS**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

**G. INCOME TAXES**

- i Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates.
- ii Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

**H. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made.

Contingent assets are neither recognised nor disclosed in the financial statements.

**I. EARNING PER SHARE**

The basic earning per share is computed using weighted average number of common share outstanding during the period. Diluted earning per share is computed using weighted average number of common & dilutive common equivalent shares outstanding during the period, except where the result would be anti-dilutive.

## NOTES FORMING PART OF FINANCIAL STATEMENT

## Note 2

Share Capital	As at 31.03.2017 (in ₹)	As at 31.03.2016 (in ₹)
<b>Authorised</b>		
70,00,000 Equity Shares of ₹ 10/- each (PY 70,00,000 Equity Shares of ₹ 10/- each)	70,000,000	70,000,000
3,00,000 0% Redeemable Preference Shares of ₹ 100/- each (PY 3,00,000 0% Redeemable Preference Shares of ₹ 100/- each)	30,000,000	30,000,000
	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed &amp; fully Paid up</b>		
35,74,500 Equity Shares of ₹ 10/- each fully paid up. (Previous Year 35,74,500 Equity Shares of ₹ 10/- each)	35,745,000	35,745,000
[Out of the above 13,50,000 Shares of ₹ 10/- each were allotted as fully paid up Bonus Shares by Capitalisation of Reserves]		
1,25,000 0% Non Cumulative Redeemable Preference Shares (NCRPS) of ₹ 100/- each fully paid up. (Previous Year 1,25,000 0% Redeemable Preference Shares of ₹ 100/- each fully paid up)	12,500,000	12,500,000
[Above 0% Preference Shares are redeemable at a premium of 5% after 2012. The preference share holder have not opted for redemption till date]		
<b>TOTAL</b>	<b>48,245,000</b>	<b>48,245,000</b>

## a. Reconciliation of Shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31.03.2017		As at 31.03.2016	
	Number	Amount (in ₹)	Number	Amount (in ₹)
Shares outstanding at the beginning of the year	3,574,500	35,745,000	3,574,500	35,745,000
Movement during the year				
Shares outstanding at the end of the year	3,574,500	35,745,000	3,574,500	35,745,000

0% NCRPS	As at 31.03.2017		As at 31.03.2016	
	Number	Amount (in ₹)	Number	Amount (in ₹)
Shares outstanding at the beginning of the year	125,000	12,500,000	125,000	12,500,000
Movement during the year				
Shares outstanding at the end of the year	125,000	12,500,000	125,000	12,500,000

b. Shareholding information:		No. of Shares	Amount (in ₹)
Equity Shares held by: Marathon Realty Private Limited	Associate Company	947,587	9,475,870

Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2017

c. Details of Shareholders holding more than 5% shares in the Company				
Equity Shares	As at 31.03.2017		As at 31.03.2016	
	No. of Shares held	% of Holding.	No. of Shares held	% of Holding
Marathon Realty Pvt Ltd (Associate Company)	947,587	26.51	9,47,587	26.51
Chetan R Shah	622,900	17.43	6,22,900	17.43
Mayur R Shah	620,395	17.36	6,20,395	17.36

  

0% NCRPS	As at 31.03.2017		As at 31.03.2016	
	No. of Shares held	% of Holding.	No. of Shares held	% of Holding
Fibre Box Bombay Pvt Ltd	1,25,000	100	1,25,000	100

## Note 3

Reserves & Surplus	As at 31.03.2017 (in ₹)	As at 31.03.2016 (in ₹)
(a) Security Premium as per last Balance Sheet Closing Balance	51,351,300 51,351,300	51,351,300 51,351,300
(b) Surplus in Profit and Loss as per Last Balance Sheet Profit for the year (Refer Note 3.1 & 3.2) Closing balance	(66,924,790) (39,70,7234) (27,217,556)	(75,313,634) 8,388,844 (66,924,790)
<b>Total</b>	<b>24,133,744</b>	<b>(15,573,490)</b>

Note 3.1 :- The Board Of Director of company, in their meeting held on May 29, 2017, recommend payment of dividend of ₹ 1.00/- [P.Y. NIL] per Equity share of face value of ₹ 10/- each. The proposal is subject to approval of shareholder at ensuing Annual General Meeting. Total Dividend appropriation for the year ended March 31, 2017 ₹ 43,02,184/- including Dividend Distribution Tax of Rs.7,27,684/-.

Note 3.2 :- The Central Government in consultation with National Advisory Committee on Accounting Standards has amended Companies (Accounting Standards) Rules, 2006 (Principal rules), vide notification issued by Ministry of Corporate Affairs dated March 30, 2016 and circular no.04/2016 dated April 27, 2016, according to rule 3(2) of the principle rule & Revised AS 4, the above mentioned Proposed dividend & tax thereon will be recognised as liability on approval of shareholder at ensuing general meeting. (Refer Para 8.5 of Revised AS-4 – Contingencies and Events occurring after Balance Sheet date). Accordingly, Proposed dividend & Tax thereon not recorded as liability at the year end. Due to such change, current liability is lowered by ₹ 43,02,184/- & Reserves & surplus is higher to that extent.

## Note 4

Long Term Borrowings	As at 31.03.2017 (in ₹)	As at 31.03.2016 (in ₹)
Unsecured Loan Inter Corporate Deposit - Related Party (Refer Note 31)	36,900,000 36,900,000	36,900,000 36,900,000
<b>Total</b>		

## Note 5

Other Liability	As at 31.03.2017 (in ₹)	As at 31.03.2016 (in ₹)
Refundable Deposits (Refer Note 5.1)	1,000,000 1,000,000	1,000,000 1,000,000
<b>Total</b>		

Note 5.1:- Company has received deposits from Swami Samarth Builders & Developers against joint venture entered for project at Bhandup as per terms of agreement.

## Notes on Financial Statements for the year ended 31st March, 2017

## Note 6

Short Term Borrowings	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Unsecured Loan	96,550,000	31,449,741
Loans & Advances from Related Party (Refer Note 31)	96,550,000	31,449,741
Total		

## Note 7

Trade Payable	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Trade Payable		
(a) Outstanding dues of Micro, Small and Medium Enterprises	407,794	407,794
(b) Outstanding dues of creditors other than from Micro, Small and Medium Enterprises	407,794	407,794
Total		

## Note 8

Other Current Liabilities	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
(a) Interest accrued & due on borrowing	1,088,568	3,607,659
(b) Advances received from customers against sale of flats	7,267,546	28,820,423
© Statutory Dues	376,572	1,734,492
(d) Expenses Payable	260,029	98,213
Total	8,992,715	34,260,787

## Note 9

Short-Term Provisions	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Other Provisions		
For Income Tax (Net of advance tax & tax deducted at sources Rs.82,73,172/- PY (Rs.26,00,500))	2,296,961	1,008,310
Total	2,296,961	1,008,310

## Note 10

Non current investments	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Trade Investments :		
Investment in Partnership Firm :		
Unquoted Investment		
Shree Swami Samarth Builders and Developers (SSSBD) Capital Contribution	50,000	50,000
Share in accumulated profits in the partnership firm	969,581	816,726
Total	1,019,581	866,726
Details of Partners in SSSBD	Sharing Ratio (PY)	Capital Balance (PY) (₹)
1. Mr. Vaibhav Kokate	50	50,000
2. Citadel Realty & Developers Ltd	50	50,000

## Note 11

Deferred Tax Assets (Net)	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Deferred Tax Assets (Net)		
(a) Liabilities		
On Fixed Assets		
(b) Assets		
On others (Carry forward Loss)	7,741,989	24,882,180
Total	7,741,989	24,882,180

In terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has computed Deferred Tax Asset as there is virtual certainty supported by convincing evidence that there would be sufficient future taxable income that would be available for set off.



Notes on Financial Statements for the year ended 31st March, 2017

**Note 12**

Other Non current assets	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
(a) Deposit (With MVAT Authority)	25,000	25,000
(b) Other Deposits	-	40,447
© MAT Credit Entitlement (Refer Note 12.1)	13,370,630	-
<b>Total</b>	<b>13,395,630</b>	<b>65,447</b>

**Note 12.1:-** During the year company has created MAT Credit Assets which is equals to the excess of MAT over normal Income-tax for the year in which MAT is paid. MAT Credit includes Rs.28,00,500/- pertains to Financial Year 2015-16 and to that extent profit after tax & EPS is increased.

**Note 13**

Inventories	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
(a) Project Work in Progress	28,814,719	62,680,425
(b) Land Stock In Trade	3,621,275	3,621,275
<b>Total</b>	<b>32,435,994</b>	<b>66,301,700</b>

**Note 14**

Trade Receivable	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Unsecured Considered good	-	-
(a) Outstanding for a period exceeding six months from the date they are due for payment	1,314,736	-
(b) Others	1,314,736	-
<b>Total</b>	<b>2,629,472</b>	<b>-</b>

**Note 15**

Cash and Bank Balances	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
<b>15.1 Cash &amp; Cash Equivalents</b>		
(a) Cash in Hand	18,546	10,518
(b) Bank Balance in Current Accounts	69,489	356,843
<b>Total</b>	<b>88,035</b>	<b>367,361</b>

Information required in terms of notification number 244 issued by ministry of corporate affairs dated March 31, 2017 is as under:-

Note 15.2:- Specified Bank Note	SBNs	Other Denomination note	Total
Closing Cash in hand as on 08.11.2016	-	19,735	19,735
(+) Permitted Receipts	-	230	230
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Bank	-	19,965	19,965
<b>Closing Cash in hand as on 31.12.2016</b>	<b>-</b>	<b>19,965</b>	<b>19,965</b>

**Note 16**

Short-term loans and advances	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Unsecured, considered good	153,266,585	43,746,223
Loans to related parties (Refer Note No 16.1)	153,266,585	43,746,223
<b>Total</b>	<b>306,533,170</b>	<b>87,492,446</b>

  

16.1 Loans advances given to Related Parties	Amount ( in ₹)	Amount ( in ₹)
<b>Name of Entity</b>		
Shree Swami Samarth Builders & developers	109,824,283	43,746,223
Marathon Realty Private Limited	43,442,302	-
<b>Total</b>	<b>153,266,585</b>	<b>43,746,223</b>

## Notes on Financial Statements for the year ended 31st March, 2017

## Note 17

Other current Assets	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
(a) Prepaid Expenses	47,638	45,699
(b) Interest accrued but not due	8,727,335	-
⊖ Advance to Suppliers	-	300
(d) Other receivables	488,690	488,690
(e) Balance with statutory authorities	-	933,816
<b>Total</b>	<b>9,263,663</b>	<b>1,468,505</b>

## Note 18

Revenue from Operations	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
(a) Revenue from Sale of Flats	87,542,113	36,168,710
(b) Revenue from Sale of Land	-	1,126,923
<b>Total</b>	<b>87,542,113</b>	<b>37,295,633</b>

## Note 19

Other Income	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
(a) Liabilities no longer required written back	751,467	140,037
(b) Interest Income	8,445,249	2,461,423
<b>Total</b>	<b>9,196,716</b>	<b>2,601,460</b>

## Note 20

Property Development Expenses	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
(a) Purchases	-	-
(b) Direct Expenses	-	-
⊖ Land Cost	-	-
(d) Finance Cost	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 21

Inventory at the end of the year	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
<b>Particulars</b>		
Work in Progress	28,814,719	62,680,425
Land	3,621,275	3,621,275
<b>Total</b>	<b>32,435,994</b>	<b>66,301,700</b>
<b>Less :Inventory at the beginning of the year</b>		
Work in Progress	62,680,425	74,987,002
Land	3,621,275	7,819,550
<b>Total</b>	<b>66,301,700</b>	<b>82,806,552</b>
<b>Increase/(Decrease) in Inventories of work in progress</b>	<b>(33,865,706)</b>	<b>(16,504,852)</b>

## Note 22

Finance Cost	As at 31.03.2017 ( in ₹)	As at 31.03.2016 ( in ₹)
Interest expenses for the year	5,397,183	4,006,510
Less: Interest expenses charged to the Project	-	-
<b>Total</b>	<b>5,397,183</b>	<b>4,006,510</b>

Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2017

## Note 23

Other Expenses	For the year 31.03.2017 ( in ₹)	For the year 31.03.2016 ( in ₹)
(a) Remuneration to Auditors (Refer Note 23.1)	71,625	62,363
(b) Bank Charges	7,471	8,767
(c) Postage & Telephone	80,037	89,727
(d) Printing & Stationery	92,020	77,649
(e) Travelling & Conveyance	16,389	7,306
(f) Advertisement Expenses	37,909	57,986
(g) Director's Sitting Fees	480,000	440,000
(h) Donation	5,000	-
(i) Legal & Professional Fees	827,887	232,456
(j) Annual Listing fees	229,000	224,720
(k) Annual Custody Fees	31,143	21,859
(l) Rent Rate & Taxes	1,330,140	113,889
(m) Insurance Charges	60,161	57,152
(n) Miscellaneous Expenses	136,896	66,034
<b>Total</b>	<b>3,405,678</b>	<b>1,459,908</b>

23.1 Remuneration To Auditors	For the year 31.03.2017 ( in ₹)	For the year 31.03.2016 ( in ₹)
a. Statutory Audit	40,075	40,049
b. Tax Audit	17,175	17,164
c. Limited Review	14,375	5,150
<b>Total</b>	<b>71,625</b>	<b>62,363</b>

## Note 24

Earning Per Share	For the year 31.03.2017 ( in ₹)	For the year 31.03.2016 ( in ₹)
<b>24a Basic Earnings Per Share</b>		
Profit after tax and prior year's tax adjustments as per Statement of Profit & Loss(A) (Refer Note 12.1)	39,707,234	8,388,843
Weighted average number for shares for computation of Basic Earnings Per Share (B)	3,574,500	3,574,500
<b>Basic Earnings Per Share (A/B)</b>	<b>11.11</b>	<b>2.35</b>
<b>24b diluted Earnings Per Share</b>		
Weighted average number for shares for computation of Diluted Earnings Per Share (C)	3,574,500	3,574,500
<b>Diluted Earnings Per Share (A/C)</b>	<b>11.11</b>	<b>2.35</b>
<b>Nominal value of shares</b>	<b>10.00</b>	<b>10.00</b>
Note 24.1:- During the year company has created MAT Credit Assets of ₹ 1,33,70,630/- by crediting profit & loss A/c. Hence EPS increased by ₹ 3.74 per share for the year.		

Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2017

## Note 25

## Contingent Liabilities not provided for in respect of :-

Matters	As at 31.03.2017 (In ₹)	As at 31.03.2016 (In ₹)
<b>1. Claim against Company not Acknowledged as debts:</b>		
(a) Estimated Liability in respect of Suit filed by Ex Workers of the Company in Labour Court. (There is probability to settle the case at a lower amount.)	200,000	1,000,000
(b) Claims against the Company under Income Tax Act (Refer Note 25.2)	-	-
<b>Note 25.2</b>		
The company had received order u/s 143(3) w.r.t Sec. 147 read with sec 148 of the Income Tax Act, 1961 for two Assessment Years (i.e. for AY 2005-06 and 2006-07) relating to sale of property of the company by the erstwhile management. The company has appealed against the orders of Commissioner of Appeals. Matter is being heard in the ITAT. There would be no tax implication as company had paid demanded taxes.		

## Note 26

## Joint venture Arrangement

- a) The company is 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 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 27

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 28

Segment Reporting:- The Company primarily operates in single business and geographical segment of real estate, hence, there is no other reportable segments.

## Note 29

The Company has the process of identification of suppliers' registered under the "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006" by obtaining confirmations from suppliers. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

## Note 30

**Details on Expenditure on Corporate Social Responsibility:-**  
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.

Notes on Financial Statements for the year ended 31<sup>st</sup> March, 2017

## Note 31

## Related Party Disclosures:

Related party disclosures as required by AS - 18, "Related Party Disclosures", are given below

i) Relationships: Associates	
Marathon Realty Private Limited	
Shree Swami Samarth Builders & Developers	
Fiber Box Bombay Private Limited	
ii) The following transactions were carried out with the related parties in the ordinary course of business	
(i) Details relating to parties referred above	
Transaction during the Year	Associates
Investment in Equity / Preference Share / Capital Account	3,690,000
Previous Year	3,690,000
Loans & Advances given	165,108,304
Previous Year	53,554,483
Advances repaid/ Taken	114,853,782
Previous Year	9,845,122
Interest Received	8,474,651
Previous Year	2,461,423
Interest Expenses	5,397,182
Previous Year	4,008,510
Rent Expenses	180,000
Previous Year	
Balance Outstanding as on March 31, 2017	
Loan Given	153,266,585
Previous Year	41,530,942
Loan Taken	96,550,000
Previous Year	31,449,740

## Note 32

## Other Significant Notes:-

Foreseeable Losses:- The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. There are no derivatives.

Pending litigations:- Company has no pending litigation apart from those mentioned in Note No.25 i.e contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made adequate provision in the financial statements and appropriate disclosure for contingent liabilities is given in Note 25.

Previous Year's figure have been regrouped/rearranged, wherever necessary.

As per our report of even date  
For Bipin B. Shah & Co.  
Chartered Accountants  
Firm Registration No:101511W

For and on behalf of the Board

Bipin Shah  
Proprietor  
Membership No. 013191

V. Ranganathan  
Chairman  
(DIN:- 00269682)

Chetan R.Shah  
Director  
(DIN:-00135296)

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

S.Ramamurthi  
Director & Chief Executive Officer  
(DIN:- 00135602)

**CITADEL REALY AND DEVELOPERS LIMITED**  
 Regd. Off.: Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013  
 CIN: L21010MHPLC011764

**ATTENDANCE SLIP**  
**57<sup>th</sup> ANNUAL GENERAL MEETING**

Reg. Folio / DP & Client ID no..... No. of Shares held: .....

I certify that I am a registered shareholder / Proxy for the registered shareholder of the Company. I hereby accord my presence at the 57<sup>th</sup> Annual General Meeting of the Company at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400 020 at 3.30 p.m. on Thursday, August 10, 2017.

Member's Name: ..... Member's / Proxy's signature

Proxy's Name: .....

**Note:**

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

**Form No. MGT - 11**  
**CITADEL REALY AND DEVELOPERS LIMITED**  
 Regd. Off.: Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013  
 CIN: L21010MHPLC011764

**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) holding ..... 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

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 57th Annual General Meeting of the Company to be held on Thursday, August 10, 2017 at 3.30 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. 1: ..... Resolution No. 2: ..... Resolution No. 3: .....

Resolution No. 4: ..... Resolution No. 5: .....

Signed this ..... day of ....., 2017.

Signature of Shareholder

Signature of Proxy Holder(s)

Affix Re. 1  
 Revenue  
 Stamp

**Note:** This form duly filled up, stamped and signed by the appointer or his attorney duly authorised in writing or if the appointer is a Body Corporate, under the seal and signed by an attorney duly authorised by it shall be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding meeting.

TEAR HERE

**Citadel Realty And Developers Limited**  
802, Marathon Max,  
Jn. of Mulund - Goregaon Link Road, Mulund (W)  
Mumbai - 400080.

**CITADEL REALY AND DEVELOPERS LIMITED**  
 Regd. Off.: Marathon Futurex, N. M. Joshi Marg, Lower Parel, Mumbai 400 013  
 Tel.: 022 6158 8484 · Fax: 022 6158 8410 · E-mail: citadel@marathonrealty.com  
 Website: www.citadelrealty.in · CIN: L21010MH1960PLC011764

**BALLOT FORM**

1. Name & address of the Sole/ :  
First named Member
2. Name(s) of Joint holder(s),if :  
Any
3. Regd. Folio/DP No./ :  
Client ID No.
4. No. of shares held :
5. Even (E-voting Event Number) :
6. User ID :
7. Password :

I/We hereby exercise my/our vote in respect of the Resolutions to be passed through Ballot for the business stated in the Notice of the Company dated May 29, 2017 by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description of Resolution	Type of Resolution Ordinary / Special	No. of shares for which votes cast	For I/We assent to the Resolution	Against I/We dissent to the Resolution
1	To receive, consider and adopt the Financial Statements for the year ended on 31 <sup>st</sup> March, 2017 and the Reports of the Directors and Auditors thereon.	Ordinary			
2	To declare a Dividend, if any, on the Equity Shares for the year 2016-17.	Ordinary			
3	To appoint a Director in place Ms. Sonal M. Shah, who retires by rotation and being eligible offers herself for re-appointment.	Ordinary			
4	To ratify the appointment of M/s. Bipin Shah & Co., Chartered Accountants, retiring Auditors, as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 60th Annual General Meeting of the Company.	Ordinary			
5	Appointment of Mr. Devendra Shrimanker as a Director of the Company.	Ordinary			

Place : Mumbai  
Date :

\_\_\_\_\_  
Signature



## INSTRUCTIONS

1. A Member desiring to exercise his/her vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed business reply envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if deposited in person or sent by courier at the expense of the Member will also be accepted.
2. The self-addressed envelope bears the address of the Scrutinizer appointed by the Board of Directors of the Company.
3. This Postal ballot Form should be completed and signed by the Member as per the specimen signature registered with the Company. In case of joint holding, this Form should be completed and signed by the first named Member and in his absence, by the next named Member. Unsigned/incorrect Postal Ballot Forms will be rejected. The right of voting by Postal Ballot shall not be exercised by a Proxy.
4. In case companies, trusts, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority to the person voting on the Postal Ballot Form.
5. In case of holders of Power of Attorney sign the Postal Ballot Form, reference of Power of Attorney registration by the Company should be mentioned in the Postal Ballot Form.
6. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours (05.00 p.m.) on August 9, 2017. Postal Ballot Forms received after this date will be strictly treated as if the reply from such Member has not been received.
7. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item no.6 above.
8. For shares held in demat form, the voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on August 3, 2017 viz., the date of download of beneficial position from NSDL and CDSL. For shares held in physical form, the voting rights shall be reckoned as on the date aforementioned.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed business reply envelope. Any extraneous paper found in such envelope will be destroyed by the Scrutinizer.
10. The Scrutinizer's decision on the validity of a Postal Ballot form will be final.

## E-VOTING INSTRUCTIONS

The instructions for those members who wish to cast their votes by e-voting process are as under:

1. In case of member receiving e-mail from NSDL:
  - (a) Open e-mail and open PDF file, viz., "Citadel Realty and Developers Limited e-voting pdf" with your client ID or Folio No. as password. The said pdf file contains your User ID and password for e-voting. Please note that the password is an initial password.
  - (b) Launch Internet Browser by typing the following URL: <https://www.evoting.nsd.com/>
  - (c) Click on "Shareholder" "Login".
  - (d) Key in User ID and password as initial password noted in step (1) above, Click "Login"
  - (e) Password change menu appears. Change the password with new password of your choice with minimum 8 digits or characters or a combination thereof. Please take note of the new password. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
  - (f) Home page 'e-voting' opens. Click on "e-voting: Active Voting Cycles".
  - (g) Select 'EVEN' of Citadel Realty and Developers Limited.
  - (h) Now you are ready for "e-voting" as "Cast Vote" page opens.
  - (i) Cast your vote by selecting appropriate option and click on "Submit" and "Confirm" when prompted.
  - (j) Institutional Shareholders (i.e. other individuals, HUFs, NRIs etc) are required to send scanned copy (PDF/JPG format) of the relevant Board resolution authority letter, etc, together with attested specimen signature of the duly authorized signatory(ies), who are authorized to vote, to the Scrutinizer at his e-mail id. With a copy marked to [e-voting@nsdl.co.in](mailto:e-voting@nsdl.co.in)
2. In case of Members receiving Postal Ballot Form by Post:
  - (a) Initial password is provided at the bottom of the Postal Ballot Form.
  - (b) Please follow all steps from Sl.1 (b) to (j) above, to cast your vote.
    - 1 In case of any queries, you may refer the Frequently Asked Questions (FAQ) for member and e-voting user manual for Members available at the "Downloads" section of [www.evoting.nsd.com](http://www.evoting.nsd.com)
    - 2 If you are already registered with NSDL for e-voting then you can use your existing User ID and password for casting your vote and there is no need to register once again.
    - 3 You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
    - 4 Members who have registered their e-mail ids for receipt of documents in electronic mode under the Green Initiative of the Ministry of Corporate Affairs, the Notice of Postal Ballot is being sent by e-mail and to others, the same is sent by post along with the Postal Ballot Form.
    - 5 Members have the option either to vote through the e-voting process or through the Postal Ballot Form. Members who have received the Postal Ballot Notice by e-mail and who wish to vote through Postal Ballot Form can download the Postal Ballot Form from [www.evoting.nsd.com](http://www.evoting.nsd.com) or seek duplicate Postal Ballot Form from the Company's Registrar and Transfer Agents viz.. Bigshare Services Private Limited Unil Citadel Realty and Developers Limited. Fill in the details and send the same to the Scrutinizer.
    - 6 Members are requested to cast their votes on the Postal Ballot only through one mode, i.e., either through Postal Ballot Form or through e-voting. In case Members cast their votes through both the modes, votes cast through e-voting will be considered and votes cast through Postal Ballot Form will be rejected.

Place : Mumbai

Date : May 29, 2017