



zandu realty limited

Ref: EIL/SECRETARIAL/ZRL/2016-17/1135

01/10/2016

**The General Manager**

Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**The Secretary**

The National Stock Exchange of India Limited  
Exchange Plaza,  
Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051

Dear Sir,

**Sub: Declaration of Voting results of 97<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2016**

With reference to the above captioned subject and further to our letter dated 29<sup>th</sup> September, 2016, we wish to inform that, at the 97<sup>th</sup> Annual General Meeting ("AGM") of the Company held on 29<sup>th</sup> September, 2016 at Tower, 687 Anandapur, E.M.Bypass, Kolkata – 700107, all the resolutions from Agenda Item No.1 to 8 of the Notice dated 27<sup>th</sup> May, 2016 were passed with requisite majority.

In this regard, please find enclosing the following:

- (1) Voting Results as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as **Annexure – 1**.
- (2) Report of Scrutinizer dated 1<sup>st</sup> October, 2016, pursuant of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as **Annexure - 2**.
- (3) Annual Report for the financial year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations duly approved and adopted by the members at the AGM as **Annexure - 3**.

Please also note the consolidated report of the remote e-voting and poll will also be put on the company's website.

This is for your information and record.

Thanking you

Yours truly,

For Zandu Realty Limited

Swetha Mukherjee  
Company Secretary

**97<sup>th</sup>**  
**ANNUAL REPORT**  
**2015 - 2016**

**zandu realty limited**

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## Corporate Information

### BOARD OF DIRECTORS

Mr. Abhijit Datta, Chairman  
Mr. Hari Mohan Marda  
Mrs. Karabi Sengupta  
Mr. Aditya Poddar  
Mr. Sandeep Jhunjunwala, *Manager & CFO*

### COMPANY SECRETARY

Mrs. Swetha Mukherjee

### STATUTORY AUDITORS

M/s. S.K.Agrawal & Co.  
*Chartered Accountants*

### BANKERS

ICICI Bank Limited  
RBL Bank Limited

### CORPORATE OFFICE

Akash Tower, 3rd Floor  
781, Anandapur, E.M.Bypass  
Kolkata - 700107  
Phone : + 91-33-66251200

### REGISTERED OFFICE

Emami Tower, 2nd Floor  
687, Anandapur, E.M. Bypass  
Kolkata - 700 107  
Phone: + 91-33-6613 6264  
E-mail: investors@emamirealty.com  
Website : www.emamirealty.com  
CIN : L24239WB1919PLC136397

### REGISTRAR AND TRANSFER AGENT

M/s Maheswari Datamatics Private Limited  
6, Mangoe Lane, 2nd Floor  
Kolkata - 700001, West Bengal, India  
Phone: + 91-33-2243 5809 / 5209  
Fax No: + 91-33-2248 4787  
Email : mdpldc@yahoo.com

## Directors' Report

*Dear Shareholders,*

Your Directors have pleasure in presenting the 97th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2016.

The performance of the Company for the year ended on 31st March, 2016 is summarised below :

(₹ in Lakhs)

Particulars	2015-16	2014-15
Revenue from Operations	866.79	8,691.06
Other Income*	1,454.03	8,675.69
<b>Total Income</b>	<b>2,320.82</b>	<b>17,366.75</b>
<b>Total Expenses</b>	<b>1,438.59</b>	<b>9,209.07</b>
<b>Profit Before Taxation</b>	<b>882.23</b>	<b>8,157.68</b>
Tax Expense		
- Current Tax	172.20	1,723.00
- Earlier Year Income Tax (Net)	5.12	7.20
<b>Profit after Taxation</b>	<b>704.91</b>	<b>6,427.48</b>
Transfer to General Reserve	-	-
Profit /(Loss) Brought Forward from Previous Year	5102.80	(1,324.67)
<b>Net Surplus/(Deficit) in the Statement of Profit &amp; Loss</b>	<b>5,807.71</b>	<b>5,102.81</b>

\* Includes ₹ 736.91 Lakhs (Previous Year – ₹ 8057.57 Lakhs) being proportionate transfer from Revaluation Reserve

### DIVIDEND

In order to conserve existing resources of the Company, your Directors do not recommend any dividend for the financial year ended 31st March 2016.

### STATE OF COMPANY AFFAIRS

In respect of Company's Project, "Zandu Sigma Estate" at Dadar, Mumbai, the construction of Building 1B is nearing completion and by that, the construction of our Project will be concluded.

### CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of the Company.

### MATERIAL CHANGES AND COMMITMENTS AFTER THE BALANCE SHEET DATE

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of this report.

### SUBSIDIARY/ASSOCIATE/JOINT VENTURE

Your Company does not have any subsidiary, associate or joint venture.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantee and Investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Audited Financial Statements provided in this Annual Report.

### PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions with Related Parties entered during the financial year by the Company were on an arms' length basis and in ordinary course of business. There were no material related party transactions, i.e., transactions exceeding ten percent of the annual turnover as per the last audited financial statements, entered into during the year. Accordingly, the disclosure required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to your Company.

A policy on 'Materiality of and dealing with Related Party Transactions' have being devised by the Board of Directors and the same may be referred to, at the Company's website at the weblink [www.emamirealty.com/policy\\_zandu.php](http://www.emamirealty.com/policy_zandu.php)

#### **PUBLIC DEPOSITS**

The Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### **AUDITORS & AUDITOR'S REPORT**

M/s. S. K. Agrawal & Co., Chartered Accountants (Firm Registration No. 306033E), Statutory Auditors of the Company were appointed by the members at the last Annual General Meeting to hold office for a period of 5 years subject to ratification by members annually. Accordingly, the appointment of M/s. S. K. Agrawal & Co., Chartered Accountants, as Statutory Auditors of the Company is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are re-appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditors' Report to the shareholders for the year under review does not contain any qualification.

#### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/S MKB & Associates, Practising Company Secretaries as the Secretarial Auditor of the Company for the financial year ended 31st March 2016. The Secretarial Audit Report for the financial year ended 31st March 2016 is annexed herewith as **Annexure-1**. The said Report does not contain any qualification.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **I. INDEPENDENT DIRECTORS :**

###### **a. Appointment of Independent Director**

Mrs. Karabi Sengupta (DIN: 02534951), was appointed as an Additional Director of the Company with effect from 31st March, 2015 and the members, at the Annual General Meeting of the Company held on 9th September, 2015, approved her appointment as the Independent Director for a term of 5 years w.e.f. the date of appointment.

###### **b. Statement on declaration given by Independent Directors under sub- Section (6) of Section 149**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

###### **c. Familiarization Programme undertaken for Independent Directors**

The Independent Directors are familiarised with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction program on the Company's operations, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. The familiarization program is available on the Company's website under the weblink: [www.emamirealty.com/policy\\_zandu.php](http://www.emamirealty.com/policy_zandu.php)

##### **II. NON- INDEPENDENT DIRECTORS:**

As per the provisions of Section 152(6)(c) of the Companies Act, 2013, Mr. Sandeep Jhunjhunwala (DIN:06433099) retires by rotation, and being eligible, offers himself for re-appointment. In view of his considerable experience and contribution to the Company, your Directors recommend his re-appointment.

### III. KEY MANAGERIAL PERSONNEL

- a. Mr. Sandeep Jhunjhunwala, Director & Manager of the Company has been appointed as the Chief Financial Officer, designated as "Manager & CFO" w.e.f. 25th May, 2015 which was approved by the Shareholders at the Annual General Meeting of the Company held on 9th September, 2015.
- b. Mrs. Swetha Mukherjee has been appointed as Company Secretary and Compliance Officer of the Company with effect from 10th October, 2015.

### MEETINGS OF BOARD OF DIRECTORS

During the financial year ended 31st March, 2016, five Board Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### MEETINGS OF INDEPENDENT DIRECTORS

As required under Regulation 25(3) of the Listing Regulations read with the Code for Independent Directors under Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors was held on 11th February, 2016 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

### STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

The Statement of particulars as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure-2** to this Report.

### PARTICULARS OF EMPLOYEES

None of the employees of the Company is in receipt of remuneration exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, all companies having net worth of ₹ 500 Crores or more, or turnover of ₹ 1,000 Crores or more, or a net profit of ₹ 5 Crores or more during any of the three preceding financial years are required to constitute a Corporate Social Responsibility ("CSR") Committee of the Board comprising of three or more directors, at least one of whom shall be an Independent Director and such company shall spend at least 2% of the average net profit of the Company's three immediately preceding financial years in pursuance of its CSR Policy. Accordingly, in compliance with above, your Company has a CSR Committee.

The Annual Report on CSR as required under the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed as **Annexure-3** to this Report.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors hereby confirm that:-

- (i) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards, have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS**

A Report on Corporate Governance and Management Discussion and Analysis for the financial year ended 31st March, 2016 is presented in separate sections, forming part of the Annual Report.

**CEO/CFO CERTIFICATION**

As required by Regulation 17(8) of the Listing Regulations, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with its size, requirement and the nature of operations. The Company's system of internal control has been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.

**INTERNAL FINANCIAL CONTROL**

The Company has in place adequate financial controls commensurate with its size, scale and complexity of its operations. The Company has policies and procedures in place to properly and efficiently conduct its business, safeguard its assets, detect fraud and errors, maintain accuracy and completeness of accounting records and prepare financial records in a timely and reliable manner.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Nomination and Remuneration Committee evaluated the performance of all the Directors on parameters such as level of engagement, independence of judgement, contribution to the strategic planning process, safeguarding the interest of the stakeholders, etc. and in context of the role played by them as a member of the Board at its meetings, in assisting the Board in realising its role of strategic supervision of the functioning of the Company.

The Independent Directors at their meeting held without the presence of Non-Independent Directors and members of the management, evaluated the performance of the Non-Independent Directors, including the Chairman and the Board as a whole.

The Board, after taking into consideration the evaluation exercise carried out by the Nomination and Remuneration Committee and by the Independent Directors, carried out an evaluation of its own performance and that of its Committees and individual Directors. Structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, designed on the basis of the Company's Board Evaluation Policy and framework adopted by the Board were used for the purpose of carrying out the evaluation process.

The Directors expressed their satisfaction over the evaluation process and results thereof.

**AUDIT COMMITTEE**

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

**STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The composition and terms of reference of the Stakeholders' Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

**REMUNERATION POLICY**

The Policy of the Company on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of Companies Act, 2013, is appended as **Annexure-4** to this Report.

**WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said policy may be referred to, at the Company's website under the weblink: [www.emamirealty.com/policy\\_zandu](http://www.emamirealty.com/policy_zandu).

**RISK MANAGEMENT**

The Company has a defined Risk Management framework to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

**EXTRACT OF THE ANNUAL RETURN**

Extract of the Annual Return for the financial year ended 31st March, 2016 in Form MGT-9 is annexed hereto as **Annexure-5** and forms a part of this report.

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

Your Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. There is zero-tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action.

The Company has established a policy against Sexual Harassment for its employees. The policy allows every employee to freely report any such act and prompt action will be taken thereon. The Policy lays down severe punishment for any such act. Further, your Directors state that during the year under review, there was no case of sexual harassment reported to the Company pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/TRIBUNALS**

There are no significant material orders passed by the Regulators / Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013**

- A. The operations of the Company are not energy intensive as the Company is not engaged in any manufacturing activity and hence reporting under this does not arise.
- B. No technology has been developed and / or imported by way of foreign collaboration.
- C. During the year, the Company has had "nil" foreign exchange earnings and outgo.

**TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

The unpaid dividend pertaining to financial year 2007-08 (Final Dividend) amounting to ₹ 6,54,350/- was transferred to the Investors Education and Protection Fund ("IEPF") during the year under review. There is no further amount lying unpaid/unclaimed with the Company.

**ACKNOWLEDGEMENTS**

Your Directors wish to extend their thanks and appreciation for the valuable and continued support received from the Shareholders, Employees, Company's Bankers, Central and State Government Authorities, Stock Exchange(s), Depositories and all other Stakeholders for the growth of the organization.

For and on behalf of the Board of Directors

Kolkata  
May 27, 2016

**Abhijit Datta**  
Chairman



# Annexure to the Directors' Report

**Annexure-1****FORM NO. MR-3  
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

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

To  
The Members,  
**ZANDU REALTY LIMITED**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ZANDU REALTY LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and Regulations.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
  - a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
  - b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
  - e) The Securities & Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, no other laws/acts are specifically applicable to the Company.

The Company has one property situated at the junction of Sayani Road and Gokhale Road, Dadar (West), Mumbai – 400025 ("Project") in respect of which the Company has entered into a Registered Development Agreement on 9th September, 2011 with Sheth Corp Private Limited ("Developer"). In term of the said Agreement, the Developer has assumed all obligations and is fully responsible for any contravention, violation, non-compliance of any laws, rules, regulations, terms of sanction/approvals/permission/no objection certificate and for all aspects of the development carried out under the said Development Agreement. Therefore, laws/acts which specifically apply to a real estate company are not applicable to the Company.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India. [Applicable from 1st July, 2015]

- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. [Applicable from 1st December, 2015]

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

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

We further report that during the audit period there are no specific events/actions which have any major bearing on the Company's affairs.

For **MKB & Associates**  
Company Secretaries

**Manoj Kumar Banthia**  
[Partner]

ACS No. 11470

COP No. 7596

Date : 27th May, 2016

Place : Kolkata

## Annexure-2

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(₹ in Lakhs)

Sl. No.	Name of the Director/KMP and Designation	Remuneration of Director/ KMP for FY 2015-16	% increase in Remuneration in the FY 2015-16
1	Mr. Sandeep Jhunjunwala, <i>Manager &amp; CFO</i>	23.58	9.37
2	Mrs. Swetha Mukherjee, <i>Company Secretary</i>	1.88*	NA

\*From 10th October, 2015 to 31st March, 2016

- i) Except the abovementioned Key Managerial Personnel who are the permanent employees on the rolls of the Company, the Company does not have any employee. Therefore, disclosures as per Rule 5(1)(i), (iii), (viii), (x) and (xi) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable.
- ii) Relationship between average increase in remuneration and Company performance/ Comparison of remuneration of the KMPs against the performance of the Company: The increase of remuneration vis-a-vis performance cannot be directly measured as the increase is in line with the industry practice to retain manpower.
- iii) a) Variation in the market capitalization of the Company : The market capitalization as on March 31, 2016 was ₹ 109.51 Crores (₹ 139.91 Crores as on March 31, 2015)
- b) Price Earnings ratio as on March 31, 2016 was 15.54 (2.18 as on March 31, 2015)
- c) Present increase over decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer: N.A.
- iv) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

## ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes :**

The Company's CSR Policy encompasses the Company's philosophy for delivering its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The CSR Policy has been prepared keeping in mind the Company's business ethics and to comply with the requirements of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company's CSR Policy focusses on promotion and development of art and culture, eradicating hunger, poverty and malnutrition, promoting education, child and women welfare and also intends spending on sports, environment, technology, development of slum & rural areas and making contributions to armed forces and various relief funds as maintained by the Government for improving qualities of life of the community. The project being undertaken by the Company is in accordance with the CSR Policy of the Company

The CSR Policy of the Company is available on the Company's website at the web link [www.emamirealty.com/policy\\_zandu.php](http://www.emamirealty.com/policy_zandu.php)

2. As on 31st March, 2016, our CSR Committee comprises of Mr. Abhijit Datta as the Chairman and Mr. Aditya Poddar and Mr. Sandeep Jhunjunwala as other members.
3. Average Net Profits of the Company for the last 3 preceding financial year : ₹ 4,441.46 Lakhs
4. Prescribed CSR Expenditure (2% of the amount as in item 3 above) : ₹ 88.83 Lakhs
5. Details of CSR spent during the financial year:
- (a) **Total amount to be spent for the financial year** : ₹ 88.83 Lakhs
- (b) **Amount unspent, if any** : Not Applicable
- (c) **Manner in which the amount spent during the financial year is detailed below:** (₹ in Lakhs)

1	2	3	4	5	6	7	8
Sr. No	CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects or programmes Sub-heads: (1) Direct expenditure on projects or programmes. (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency (IA)
1	To meet part of the construction cost	Promotion and Development of art	Kolkata, West Bengal	115.00	115.00	115.00	IA- Anamika Kala Sangam Trust

6. Reasons for failing to spend the two percent of the average net profit of the last three financial years or any part thereof: Not Applicable
7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Kolkata  
May 27, 2016

**Abhijit Datta**  
Chairman, CSR Committee

**Sandeep Jhunjunwala**  
Manager & CFO

**Annexure-4****REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES****1. Preamble**

1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

**2. Aims & Objectives**

2.1 The Company has formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- 2.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.
- 2.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 2.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay (if required) reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

**3. Nomination and Remuneration Committee**

3.1 Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.

**3.2 The Committee shall be responsible for**

- 3.2.1 Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 3.2.2 Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 3.2.3 Devising a policy on diversity of board of directors;
- 3.2.4 Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 3.2.5 Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 3.2.6 To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification or modification as may be applicable

**4. Policy For Remuneration****4.1 Remuneration to Executive Directors & KMP:**

4.1.1 The Company has a credible and transparent framework in determining the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

- 4.1.2 The Board, on the recommendation of the Nomination & Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- 4.1.3 The remuneration of non-board KMPs and SMPs will be decided by the MD/WTD, as the case may be and will be placed before the Committee in its meeting held next after such revision.

**4.2 Remuneration to Non-Executive Directors:**

- 4.2.1 The Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. Beside the sitting fees they are also entitled to reimbursement of expenses for attending meetings. The Non-executive Directors of the Company are not paid any other remuneration or commission. The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.
- 4.2.2 As a policy, the Executive Directors are neither paid sitting fee nor any commission.

**4.3 Remuneration to other employees**

- 4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**5. Policy For Selection of Directors And Determining Directors' Independence****Qualifications and criteria**

- 5.1 The NR Committee, and the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in areas that are relevant to the Company's operations.
- 5.2 In evaluating the suitability of individual Board members, the Committee takes into account many factors, such as:
  - 5.2.1 general understanding of the Company's business dynamics, global business and social perspective,
  - 5.2.2 educational and professional background and personal achievements
  - 5.2.3 professional ethics, integrity and values
  - 5.2.4 ability to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions
  - 5.2.5 willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively
- 5.3 The proposed appointee shall also fulfill the following requirements:
  - 5.3.1 Shall possess a Director Identification Number;
  - 5.3.2 Shall not be disqualified under the Companies Act, 2013;
  - 5.3.3 Shall give his written consent to act as a Director;
  - 5.3.4 Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
  - 5.3.5 Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
  - 5.3.6 Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

5.3.7 Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and other relevant laws.

5.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

#### **Criteria of Independence**

5.5 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

5.6 The criteria of independence as laid down in Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, shall be applied by the Committee for their assessment.

5.7 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

#### **Other directorships/committee memberships:**

5.8 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

5.9 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

5.10 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

5.11 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.

5.12 For the purpose of considering the limit of the Committee membership, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

### **6. Procedure For Selection and Appointment of Executives Other than Board Members**

6.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel;

6.2 The Committee may conduct a wide-ranging search for candidates for the positions of KMP and SMP within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, and on the human resources market;

6.3 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of KMP and SMP;

6.4 Before the selection of KMP or SMP, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;

6.5 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

[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	L24239WB1919PLC136397
ii)	Registration Date	10.12.1919
iii)	Name of the Company	Zandu Realty Limited
iv)	Category/ Sub-Category of the Company	Public Company limited by Shares/ Indian Non-Government Company
v)	Address of the Registered office and Contact Details	Emami Tower, 2nd Floor, 687 Anandapur E. M. Bypass, Kolkata-700 107 Phone: 033 6613 6264 E-mail: investors@emamirealty.com Website: www.emamirealty.com
vi)	Whether listed company -Yes / No	Yes 1. National Stock Exchange of India Limited 2. BSE Limited
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, 2nd Floor, Kolkata- 700 001 Phone: 033 2243 5809 / 5029 Email: mdpldc@yahoo.com

## 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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Construction & Real Estate Development	4100	100

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

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
-	-	-	-	-	-

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change During the Year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
(a)	Individual/HUF	-	-	-	-	-	-	-	-	-
(b)	Central Govt	-	-	-	-	-	-	-	-	-
(c)	State Govt (s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corp.	2,86,329	-	2,86,329	35.51	2,86,329	-	2,86,329	35.51	-
(e)	Banks / FI	-	-	-	-	-	-	-	-	-
(f)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-total (A) (1)</b>	<b>2,86,329</b>	<b>-</b>	<b>2,86,329</b>	<b>35.51</b>	<b>2,86,329</b>	<b>-</b>	<b>2,86,329</b>	<b>35.51</b>	<b>-</b>
<b>(2)</b>	<b>Foreign</b>									
(a)	NRIs -Individuals	-	-	-	-	-	-	-	-	-
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2,86,329</b>	<b>-</b>	<b>2,86,329</b>	<b>35.51</b>	<b>2,86,329</b>	<b>-</b>	<b>2,86,329</b>	<b>35.51</b>	<b>-</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks / FI	2,101	172	2,273	0.28	3,073	172	3,245	0.40	0.12
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Others (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-total (B)(1)</b>	<b>2,101</b>	<b>172</b>	<b>2,273</b>	<b>0.28</b>	<b>3,073</b>	<b>172</b>	<b>3,245</b>	<b>0.40</b>	<b>0.12</b>
<b>2</b>	<b>Non-Institutions</b>									
<b>(a)</b>	<b>Bodies Corp.</b>									
(i)	Indian	92,218	163	92,381	11.46	81,747	163	81,910	10.16	-1.30
(ii)	Overseas	-	-	-	-	-	-	-	-	-
<b>(b)</b>	<b>Individuals</b>									
(i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	3,18,609	25,330	3,43,939	42.65	3,30,738	24,460	3,55,198	44.05	1.40



Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year (As on 31-03-2016)				% Change During the Year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	54,209	2,921	57,130	7.08	48,536	2,921	51,457	6.38	-0.70
<b>(c)</b>	<b>Any Other (specify)</b>									
(c-i)	Clearing Member	7,389	-	7,389	0.92	11,835	-	11,835	1.47	0.55
(c-ii)	Non Resident individual	16,949	10	16,959	2.10	16,404	10	16,414	2.03	-0.07
(c-iii)	NBFCs registered with RBI	-	-	-	-	12	-	12	0.00	0.00
	<b>Sub-total (B)(2)</b>	<b>4,89,374</b>	<b>28,424</b>	<b>5,17,798</b>	<b>64.21</b>	<b>4,89,272</b>	<b>27,554</b>	<b>5,16,826</b>	<b>64.09</b>	<b>-0.12</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>4,91,475</b>	<b>28,596</b>	<b>5,20,071</b>	<b>64.49</b>	<b>4,92,345</b>	<b>27,726</b>	<b>5,20,071</b>	<b>64.49</b>	<b>-</b>
<b>(C)</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total (A+B+C)</b>	<b>7,77,804</b>	<b>28,596</b>	<b>8,06,400</b>	<b>100.00</b>	<b>7,78,674</b>	<b>27,726</b>	<b>8,06,400</b>	<b>100.00</b>	<b>-</b>

**(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	Emami Rainbow Niketan Private Limited	2,86,329	35.51	-	2,86,329	35.51	-	-

**(iii) Change in Promoters' Shareholding**

Sl.No.	Shareholder's Name	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
1	At the beginning of the year	2,86,329	35.51	-	-
	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 during the year			
	At the end of the year	-	-	2,86,329	35.51

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

Sl. No.	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reasons	Cumulative Shareholding during the year	
		No. of Shares at the beginning / end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	PLACID LIMITED	29,500	3.66	01.04.2015				
		<b>29,500</b>	<b>3.66</b>	31.03.2016	No change	-	-	-
2	POONAM BATHWAL	15,350	1.90	01.04.2015				
		<b>15,350</b>	<b>1.90</b>	31.03.2016	No Change	-	-	-
3	ANAND RATHI GLOBAL FINANCE LIMITED	12,850	1.59	01.04.2015				
				08.05.2015	(1,924)	Transfer	10,926	1.35
				05.06.2015	4	Transfer	10,930	1.36
		<b>10,930</b>	<b>1.36</b>	31.03.2016				
4	RAJEEV AGGARWAL	8,721	1.08	01.04.2015				
				03.04.2015	(100)	Transfer	8,621	1.07
				24.04.2015	100	Transfer	8,721	1.08
				08.05.2015	450	Transfer	9,171	1.14
				17.07.2015	(500)	Transfer	8,671	1.08
				31.07.2015	150	Transfer	8,821	1.09
				07.08.2015	(150)	Transfer	8,671	1.08
				21.08.2015	100	Transfer	8,771	1.09
				28.08.2015	200	Transfer	8,971	1.11
				06.11.2015	600	Transfer	9,571	1.19
				04.12.2015	(98)	Transfer	9,473	1.17
				31.12.2015	(601)	Transfer	8,872	1.10
				08.01.2016	(1,872)	Transfer	7,000	0.87
		<b>7,000</b>	<b>0.87</b>	31.03.2016				
5	PRIPAN INVESTMENT PRIVATE LTD	6,498	0.81	01.04.2015				
		<b>6,498</b>	<b>0.81</b>	31.03.2016	No Change	-	-	-
6	MASTER NIKUNJ BATHWAL	6,300	0.78	01.04.2015				
		<b>6,300</b>	<b>0.78</b>	31.03.2016	No change	-	-	-
7	RAJ YASHVANT KAPADIA	5,472	0.68	01.04.2015				
		<b>5,472</b>	<b>0.68</b>	31.03.2016	No Change	-	-	-
8	MAMTA MAHENDRA PATEL *	-	-	01.04.2015				
				27.11.2015	4,822	Transfer	4,822	0.60
		<b>4,822</b>	<b>0.60</b>	31.03.2016				
9	AJIT CHANDRARAJ *	3,500	0.43	01.04.2015				
		<b>3,500</b>	<b>0.43</b>	31.03.2016	No change	-	-	-
10	GLOBE CAPITAL MARKET LIMITED	4,521	0.56	01.04.2015				
				03.04.2015	(86)	Transfer	4,435	0.55
				10.04.2015	200	Transfer	4,635	0.57
				17.04.2015	47	Transfer	4,682	0.58
				24.04.2015	(79)	Transfer	4,603	0.57
				01.05.2015	78	Transfer	4,681	0.58
				08.05.2015	281	Transfer	4,962	0.62
				15.05.2015	(5)	Transfer	4,957	0.61
				22.05.2015	(31)	Transfer	4,926	0.61
				29.05.2015	(17)	Transfer	4,909	0.61
				05.06.2015	148	Transfer	5,057	0.63
				12.06.2015	38	Transfer	5,095	0.63
				19.06.2015	(13)	Transfer	5,082	0.63
		26.06.2015	(90)	Transfer	4,992	0.62		

Sl. No.	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reasons	Cumulative Shareholding during the year	
		No. of Shares at the beginning / end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				30.06.2015	2	Transfer	4,994	0.62
				03.07.2015	144	Transfer	5,138	0.64
				10.07.2015	265	Transfer	5,403	0.67
				17.07.2015	(1,215)	Transfer	4,188	0.52
				24.07.2015	324	Transfer	4,512	0.56
				31.07.2015	(1,865)	Transfer	2,647	0.33
				07.08.2015	(210)	Transfer	2,437	0.30
				14.08.2015	223	Transfer	2,660	0.33
				21.08.2015	11	Transfer	2,671	0.33
				28.08.2015	(312)	Transfer	2,359	0.29
				11.09.2015	123	Transfer	2,482	0.31
				30.09.2015	(58)	Transfer	2,424	0.30
				09.10.2015	(92)	Transfer	2,332	0.29
				23.10.2015	5	Transfer	2,337	0.29
				30.10.2015	105	Transfer	2,442	0.30
				06.11.2015	(28)	Transfer	2,414	0.30
				20.11.2015	(2)	Transfer	2,412	0.30
				27.11.2015	(55)	Transfer	2,357	0.29
				04.12.2015	15	Transfer	2,372	0.29
				11.12.2015	77	Transfer	2,449	0.30
				18.12.2015	(36)	Transfer	2,413	0.30
				25.12.2015	(19)	Transfer	2,394	0.30
				31.12.2015	(23)	Transfer	2,371	0.29
				08.01.2016	61	Transfer	2,432	0.30
				22.01.2016	(61)	Transfer	2,371	0.29
				29.01.2016	(4)	Transfer	2,367	0.29
				05.02.2016	8	Transfer	2,375	0.29
				12.02.2016	54	Transfer	2,429	0.30
				19.02.2016	639	Transfer	3,068	0.38
				26.02.2016	(45)	Transfer	3,023	0.37
				04.03.2016	21	Transfer	3,044	0.38
				11.03.2016	(21)	Transfer	3,023	0.37
				18.03.2016	(13)	Transfer	3,010	0.37
				25.03.2016	20	Transfer	3,030	0.38
		<b>3,048</b>	<b>0.38</b>	31.03.2016	18	Transfer	3,048	0.38
11	HEMLATA BHATT #	6,772	0.84	01.04.2015				
				27.11.2015	(4,822)	Transfer	1,950	0.24
				04.12.2015	(1,950)	Transfer	-	0.00
		-	-	31.03.2016				
12	MAHESH VRAJLAL BABARIA #	4,874	0.60	01.04.2015				
				25.12.2015	(1,350)	Transfer	3,524	0.44
				31.12.2015	(1,500)	Transfer	2,024	0.25
				08.01.2016	(2,024)	Transfer	-	0.00
		-	-	31.03.2016				

\* Not in the list of Top 10 shareholders as on 01/04/2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2016.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2015.

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Name	Shareholding as on 1st April, 2015		Shareholding as on 31st March, 2016	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	None of the Directors and Key Managerial Personnel hold any Shares in the Company			
	At the End of the year	-	-	-	-

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year:</b>				
i) Principal amount	3500.00	-	-	3500.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3500.00</b>	-	-	<b>3500.00</b>
<b>Change in Indebtedness during the financial year:</b>				
- Addition	-	-	-	-
- Reduction	3500.00	-	-	3500.00
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year:</b>				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total
		Mr. Sandeep Jhunjhunwala (Manager & CFO)	
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	23.58	23.58
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>23.58</b>	<b>23.58</b>
	<b>Ceiling as per the Act</b>	<b>₹ 45.46 Lakhs (5% of Net Profit as per Section 198 of the Companies Act, 2013)</b>	

## B. Remuneration to other Directors:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Abhijit Datta	Mr. Hari Mohan Marda	Mrs. Karabi Sengupta	Mr. Aditya Poddar	
1	Independent Directors					
	Fee for attending board / committee Meetings	0.50	1.20	0.50	1.10	3.30
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>0.50</b>	<b>1.20</b>	<b>0.50</b>	<b>1.10</b>	<b>3.30</b>
2	Other Non-Executive Directors					
	Fee for attending board / committee Meetings					
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0.50</b>	<b>1.20</b>	<b>0.50</b>	<b>1.10</b>	<b>3.30</b>
	<b>Total Managerial Remuneration (A+B)</b>					<b>26.88</b>
	<b>Overall Ceiling as per the Act*</b>	<b>₹ 100.00 Lakhs (11% of Net Profit as per Section 198 of the Companies Act, 2013)</b>				

\* All non-executive /independent directors have been paid only sitting fees for attending board meeting and committee meetings, which is well within the limits prescribed under the Companies Act, 2013.

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total
		Mrs. Swetha Mukherjee (Company Secretary)*	
1	Gross salary	1.88	1.88
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	<b>Total</b>	<b>1.88</b>	<b>1.88</b>

\*Appointed w.e.f. 10th October, 2015

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offence against the Company, its Directors and other Officers in default under the Companies Act, 2013, during the year ended 31st March, 2016.

# Management Discussion and Analysis Report

## Industry Structure and Developments

According to the Economic Survey 2015-16, real estate sector constituted 7.4 percent of India's GDP in 2014-15. Both domestic and global slowdown affected the sector, with growth decelerating from 4.4 percent in 2014-15 to 3.7 percent in 2015-16. The overall performance of the sector continued to remain subdued and the Company remained exposed to sector specific and broad based economic challenges in the financial year 2015-16. Demand for residential real estate segment was muted in almost all markets across the country.

Government policies have been instrumental in providing support to the real estate sector that suffered much pain in the past two years and is now moving towards a more rational regime where developers are now focusing on project execution and delivery. Indian real estate sector has been sluggish for a few years but is expected to make a turnaround in the near future. Experts believe that the sector is now expected to record increase in sales and a reduction in unsold inventories. They believe the government initiatives announced this year will give a push to the sector and reinstate investor confidence, thereby offering the much-needed growth impetus to the real estate sector. The year will also see the sector moving from an investor-driven to an end-user driven cycle.

Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail. The Indian real estate market size is expected to touch US\$ 180 billion by 2020.

India is slowly being positioned as a global investment destination. In terms of Foreign Direct Investment (FDI) inflows, real estate is currently the fourth-largest sector in the country. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.156 billion in the period April 2000-September 2015. The Government has also raised FDI limits for townships and settlements development projects to 100 per cent. Real estate projects within the Special Economic Zone (SEZ) are also permitted 100 per cent FDI. In August 2015, the Union Cabinet approved 100 Smart City Projects in India. The Government is focused on working to deliver on its promise of 'Housing for All' by 2022. In Union Budget 2015-16, the government allocated US\$ 3.72 billion for housing and urban development.

The policy announcements and reforms to revive the sector such as government's easing of FDI policy, the implementation of the Real Estate (Regulation and Development) Act, 2016 and Smart Cities, and the exemption of dividend distribution tax from the business trust, direct and indirect tax benefits for affordable housing projects have helped in generating a positive outlook for the sectors.

## Opportunities

Much awaited, the Government has notified the Real Estate (Regulation and Development) Act, 2016 and that has created a positive environment for growth of this industry. Certainly this will usher relief to such aggrieved and helpless buyers whose moneys are stuck in pre-launch booking as the Act has mandated the developers to launch the project only after all approvals are in place. This will help the real estate industry to grow in business-like environment and will benefit both the buyers and the developers in a regulated manner.

Further, increase in disposable incomes, rapid urbanization and strong demographics will help the residential segment to further improve by creating more demand from the mid income consumers.

## Threats and Challenges

Unfavourable changes in government policies and the regulatory environment can adversely impact the performance of the sector.

The Real Estate (Regulation and Development) Act, 2016 has not catered to single window clearance for the projects. Therefore, delay in obtaining various approvals may pose a serious halter in the growth of the real estate industry even after slew of various initiatives undertaken by the Government. Further, economic slowdown may also impact the growth of the real estate sector.

## Discussion on financial performance with respect to operational performance and Outlook

In respect of Company's Project, "Zandu Sigma Estate" at Dadar, Mumbai, due to slowdown in the industry, the Company has not been able to sell all their units in Building 1A and 2 even though Occupancy Certificates have been received during the last financial year. Likewise, majority of the units at Building 1B, where construction is nearing completion, has

not been sold. That has directly impacted the sales turnover. However, the Company is confident to achieve all the sales of unsold units during the current financial year.

As reported in the last Annual Report, the Company is still exploring opportunities to harness the resources of the Company in a meaningful and risk free manner.

**Risks and concerns**

This real estate market is inherently a cyclical market and is affected by macroeconomic conditions, changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and liquidity. However, your Company has taken necessary steps to tackle these risks appropriately.

**Internal control systems and their adequacy**

Our internal control systems are adequate and provide, among other things, reasonable assurance of recording transactions of operations in all material respects and of providing protection against misuse or losses from unauthorized use or disposition.

**Human Resource and Industrial Relation**

Your Company's business is managed by a team of competent and passionate leaders, capable of enhancing your Company's standing in the sector.

**Cautionary Statement**

The Management Discussion and Analysis Report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties. Actual results may differ materially from these expressed in the statements as external factors like Government policies, political and economic development, risk inherent to the sector could influence the Company's operations.

## Report on Corporate Governance

### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

At Zandu, corporate governance has always been a focal point of attention with emphasis on the complete well-being of all its constituents. Good corporate governance encompasses law, procedures, practices and implicit rules that determine the management's ability to take sound and informed business decisions vis-à-vis all its stakeholders i.e. shareholders, creditors, employees and the State. The Company's philosophy on corporate governance envisages attainment of the highest level of transparency, accountability, integrity and equity in all facets of its operations and in its interaction with stakeholders.

The Board of Directors of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a pivotal role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best practices across the globe.

### BOARD OF DIRECTORS

#### Composition of Board of Directors

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors, including one woman Director, which is in conformity with the SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 ("Listing Regulations"). The Board, as on 31st March, 2016, consists of 5 Directors, out of which 4 Directors are Independent Directors. The Chairman of the Board is a Non-Executive Independent Director.

The composition and category of the Directors on the Board are as follows:

Sl. No.	Name	Designation	Category
1	Mr. Abhijit Datta (DIN: 00790029)	Chairman	Non-Executive Independent
2	Mr. Hari Mohan Marda (DIN: 00855466)	Director	Non-Executive Independent
3	Mrs. Karabi Sengupta (DIN: 02534951)	Director	Non-Executive Independent
4	Mr. Aditya Poddar (DIN: 00646898)	Director	Non-Executive Independent
5	Mr. Sandeep Jhunjunwala^ (DIN: 06433099)	Manager & CFO	Executive

^ Appointed as Chief Financial Officer w.e.f. 25th May, 2015

#### Board Meetings & Procedure

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from normal business. The Agenda of the meeting is circulated well in advance to all the Directors for facilitating effective discussion and decision making. In addition to the minimum information to be placed before the Board as per Regulation 17(7) of the Listing Regulations, the Board is also kept informed of major events wherever necessary.

#### Number and dates of Board Meetings held during the year

Five Board meetings were held during the financial year on 25th May, 2015, 10th August, 2015, 29th September, 2015, 13th November, 2015 and 11th February, 2016. The maximum time gap between any two meetings was less than 120 days as stipulated under Regulation 17(2) of the Listing Regulations.

Number of meetings held and attended during the year, attendance at the last Annual General Meeting (AGM) and the number of Directorships and Committee Memberships / Chairmanship in other companies of each of the Directors as on 31st March, 2016 are below:-

Name of Director	Board Meetings during the year		Attendance at the last AGM	Other Directorships	Memberships/ Chairmanship(s) of Board Committees in other companies
	Held	Attended			
Mr. Abhijit Datta	5	4	No	5	3 (including 2 as Chairman)
Mr. Hari Mohan Marda	5	5	Yes	7	3
Mrs. Karabi Sengupta	5	5	Yes	1	-
Mr. Aditya Poddar	5	5	No	-	-
Mr. Sandeep Jhunjunwala	5	5	Yes	-	-



**Note :**

1. Other directorships exclude directorships in the Foreign Companies, Section 8 Companies and Private Limited Companies
2. Other Committee memberships/ chairmanships include Audit Committee and Stakeholders' Relationship Committee of Public Limited companies only
3. None of the Directors of your Company is related to each other
4. None of the non-executive directors hold any shares in the Company. The Company has not issued any convertible securities

None of the Directors on the Board is a member of more than 10 board level committees or Chairman of more than 5 such Committees as specified in Regulation 26(1) of Listing Regulations, across all the listed entities in which he is a Director.

None of the Independent Directors is acting as an Independent Director in more than 7 listed companies as required pursuant to Regulation 25 of the Listing Regulations. The details of familiarization program imparted to independent directors is available on the Company's website at the web link: [www.emamirealty.com/policy\\_zandu.php](http://www.emamirealty.com/policy_zandu.php)

**COMMITTEES OF THE BOARD**

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles, as a part of good governance practice. The minutes of the meetings of all the Committees are placed before the Board for review.

The Board has currently established the following Committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Business Re-organisation /Re-structuring Committee

**Audit Committee**

As on March 31, 2016, the Committee consists of 3 Directors, who bring with them vast experience in the field of operations, finance and accounts. The Committee comprises of:

Sl. No.	Name	Category	Designation
1.	Mr. Hari Mohan Marda	Non-Executive Independent	Chairman
2.	Mr. Aditya Poddar	Non-Executive Independent	Member
3.	Mr. Sandeep Jhunjunwala	Manager & CFO	Member

Mrs. Karabi Sengupta was inducted as a member of the Committee with effect from 3rd May 2016.

The Chairman of the Audit Committee is an Independent Director and the Company Secretary acts as the Secretary to the Committee. The Chairman of the Audit Committee attended the previous Annual General Meeting held on 9th September, 2015.

The Committee's composition and its terms of reference meet the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and *inter alia* has the following role pursuant to its terms of reference:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- b. Changes, if any, in accounting policies and practices and reasons for the same
- c. Major accounting entries involving estimates based on the exercise of judgment by management
- d. Significant adjustments made in the financial statements arising out of audit findings
- e. Compliance with listing and other legal requirements relating to financial statements
- f. Disclosure of any related party transactions
- g. Modified opinion(s) in the draft audit report in the draft audit report
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit, audit observations as well as post-audit discussion to ascertain any area of concern;
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xx. The Committee shall mandatorily review the following:
  - (a) Management discussion and analysis of financial condition and results of operations;
  - (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (d) Internal audit reports relating to internal control weaknesses; and the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - (e) Statement of deviations:
    - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

During the financial year ended 31st March 2016, Audit Committee met 4 times on 25th May, 2015, 10th August, 2015, 13th November, 2015 and 11th February, 2016 wherein all the Members of the Committee were present.

**Nomination and Remuneration Committee**

As on 31st March, 2016, the Committee comprises of Mr. Hari Mohan Marda as the Chairman and Mr. Abhijit Datta and Mr. Aditya Poddar as members. The Committee’s composition and its terms of reference meet the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Company Secretary acts as Secretary to the Committee.

**Terms of Reference of the Committee, inter alia, includes the following:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification or modification as may be applicable;

During the year under review, 2 meetings were held on 25th May, 2015 and 29th September, 2015 wherein all the members of the Committee were present, except for Mr. Abhijit Datta who was granted leave of absence at the meeting held on 29th September, 2015.

**Performance evaluation criteria for Independent Directors**

During the year under review, the performance of the Independent Directors were evaluated on the parameters such as level of engagement, independence of judgement, contribution to the strategic planning process, safeguarding the interest of the stakeholders, etc. and in context of the role played by them as a member of the Board at its meetings, in assisting the Board in realising its role of strategic supervision of the functioning of the Company.

**Remuneration policy**

The success of the organization in achieving good performance and good governing practices depends on its ability to attract and retain individuals with requisite knowledge and excellence as executive and non-executive directors.

The Remuneration Policy of the Company is attached as **Annexure 4** to the Board’s Report.

**Details of Remuneration to all Directors:**

- a) Details of the sitting fees paid to the Independent Directors during the Financial Year 2015-16 and their shareholding in the Company are as follows:

<b>Name of the Directors</b>	<b>Sitting Fees (₹)</b>	<b>No. of shares held as on 31.03.2016</b>
Mr. Abhijit Datta	50,000	NIL
Mr. Hari Mohan Marda	1,20,000	NIL
Mrs. Karabi Sengupta	50,000	NIL
Mr. Aditya Poddar	1,10,000	NIL

No commission was paid to Directors during the year ended 31st March 2016.

- b) Details of remuneration paid to Mr. Sandeep Jhunjhunwala as Manager & CFO, for the financial year 2015-16 are as under:

	<b>(₹)</b>
Basic Salary	12,60,000
House Rent Allowance	6,30,000
Children Allowance	2,400
Special Allowance	3,13,200
Bonus	8,400
Benefits Paid	1,44,200
<b>TOTAL</b>	<b>23,58,200</b>

The tenure of office of Mr. Jhunjunwala is for 5 years from his date of appointment and can be terminated by either party by giving three months' notice in writing.

#### Stakeholders' Relationship Committee

As on 31st March 2016, the Committee comprises of Mr. Hari Mohan Marda, Independent Director, as the Chairman and Mr. Aditya Poddar and Mr. Sandeep Jhunjunwala as members. The composition and the terms of reference of the Committee meet with the requirements of Regulation 20 of the Listing Regulations and provisions of the Companies Act, 2013. The Company Secretary acts as Secretary to the Committee.

During the period under review, 4 meetings were held on 27th April, 2015, 3rd July, 2015, 21st January, 2016 and 10th March, 2016. The details of the number of meetings held and attendance of the directors thereat is given herein below:

Name of Directors	No. of Meetings held	No. of Meetings Attended
Mr. Hari Mohan Marda	4	4
Mr. Aditya Poddar	4	2
Mr. Sandeep Jhunjunwala	4	4

The Committee has been constituted to monitor and review investor's grievance and carry out procedural matters relating to share transfer, etc. and overseeing the functioning of the Registrar and Share Transfer Agent of the Company.

During the year under review, no complaints were received by the Company. There were no complaints pending at the beginning and at the close of the financial year. No complaint was posted on SCORES, the web based complaint redressal system of SEBI.

#### Compliance Officer

Mrs. Swetha Mukherjee was appointed as Company Secretary and Compliance Officer of the Company with effect from 10th October, 2015.

#### Contact Information of the Compliance Officer :

Name & designation	Mrs. Swetha Mukherjee, Company Secretary & Compliance Officer
Address	"Akash Tower", 3rd Floor, 781, Anandapur, E. M. Bypass, Kolkata-700107
Contact	033 6625 1229
Email	swetha.mukherjee@emamirealty.com

#### Corporate Social Responsibility Committee

As on 31st March, 2016, the Committee comprises of Mr. Abhijit Datta as the Chairman and Mr. Aditya Poddar and Mr. Sandeep Jhunjunwala as members. The composition and the terms of reference of the Committee meet with the requirements of the Companies Act, 2013. The Company Secretary acts as Secretary to the Committee.

Terms of Reference of the Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- To recommend the amount of expenditure to be incurred on the CSR activities in a financial year;
- To monitor the CSR Policy of the Company from time to time;
- To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.
- To carry out any other function as is mandated by Board from time to time and/or enforced by any statutory notification or modification as may be necessary or appropriate for performance of its duties

During the year under review, 1 meeting was held on 13th November, 2015 wherein all the Members of the Committee were present.

#### Business Re-organization/Restructuring Committee

As on 31st March 2016, the Committee comprises of Mr. Abhijit Datta as the Chairman and Mr. Hari Mohan Marda, Mr. Aditya Poddar and Mr. Sandeep Jhunjunwala as members. The Company Secretary acts as Secretary to the Committee.

During the year under review, no meeting of this Committee was held.

**INDEPENDENT DIRECTORS' MEETING**

During the period under review, Independent Directors' met on 11th February, 2016, *inter alia*, to discuss:

- Evaluation of the Performance of the Independent Directors and Board of Directors as a whole;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

All the Independent Directors were present in the meeting.

**GENERAL BODY MEETINGS**

- A) During the preceding three years, the Company's Annual General Meetings (AGM) were held at "Emami Tower", 687 Anandapur, E. M. Bypass, Kolkata 700 107. The date and time of the AGMs held during the last three years and the special resolutions passed thereat, are as follows:

Year	Date & time	Special resolution passed
2014-15	9th September, 2015 at 3.15 P.M.	Appointment of Mr. Sandeep Jhunjhunwala, Director & Manager (DIN:06433099) as the Chief Financial Officer (CFO) designated as "Manager & CFO" w.e.f. 25th May 2015 and payment of remuneration to him w.e.f. 1st January 2015 upto the remaining period of his tenure.
2013-14	September 05, 2014 at 3.15 P.M.	1) Authority to the Board to borrow upto ₹ 200 Crores under Section 180(1) (c) of the Companies Act, 2013; 2) Authority to the Board to make investment upto ₹ 225 Crores under Section 186 of the Companies Act, 2013.
2012-13	August 12, 2013 at 2.30 P.M.	NONE

- B) No extra-ordinary general meeting of the shareholders was held during the year.  
 C) No Special Resolution was passed through postal ballot during the financial year 2015-16.  
 D) None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through postal ballot.

**MEANS OF COMMUNICATION**

- Publication of results : The Company publishes its quarterly and annual results in newspapers such as "Financial Express", "Ek Din" and "El Samay". The same are also submitted to the Stock Exchanges.
- News, Releases etc. : The Company has a website [www.emamirealty.com](http://www.emamirealty.com) and all vital information relating to the Company and its performance including financial results are regularly posted on the Company's website.
- During the year under review, the Company did not make any presentation to institutional investors or to analysts.

**GENERAL SHAREHOLDER INFORMATION**
**i. AGM Details**

<b>Date</b>	September 29, 2016
<b>Time</b>	11.00 A.M.
<b>Venue</b>	Emami Tower, 687 Anandapur, E. M. Bypass, Kolkata 700 107

**ii. Financial Calendar**

Financial year -1st April, 2016 to 31st March, 2017

Financial Reporting for the Year 2016-17:

Particulars	Quarter/ year ending	Tentative Schedule*
Unaudited Financial Results (1st Quarter)	Q.E. 30.06.2016	On or before August 14, 2016
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2016	On or before November 14, 2016
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2016	On or before February 14, 2017
Audited Financial Results (4th Quarter/Annual)	Y.E. 31.03.2017	On or before May 30, 2017

\* tentative and subject to change

iii. <b>Book closure Dates</b>	September 23, 2016 to September 29, 2016 (Both days inclusive)
iv. <b>Dividend Payment Date</b>	Not Applicable
v. <b>Listing on Stock Exchanges:</b>	BSE Limited (BSE) National Stock Exchange of India Ltd. (NSE)

The listing fees for financial year 2016-17 to BSE & NSE have been paid.

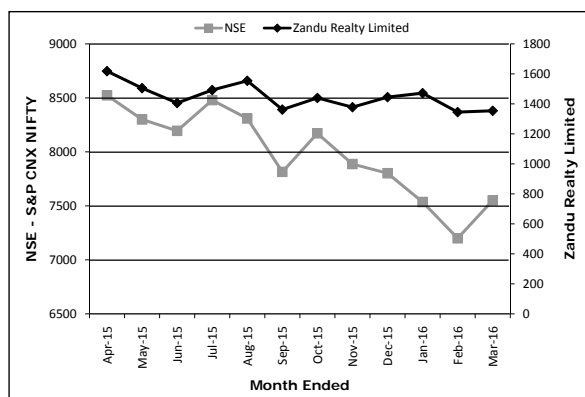
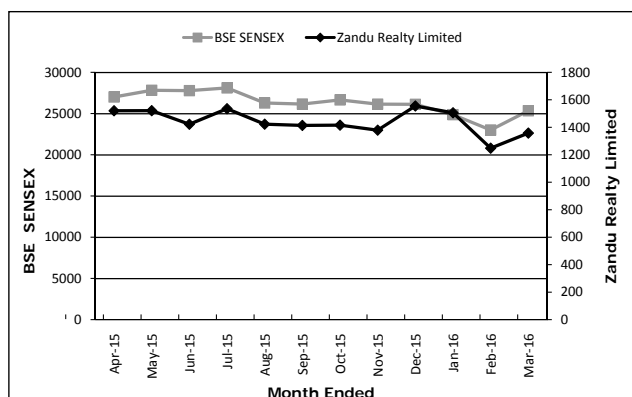
vi. <b>Stock Code</b>	Trading symbol BSE - 506720 NSE - ZANDUREALT
<b>Demat ISIN No.</b>	ISIN No. : INE719A01017
<b>Corporate Identity No.</b>	L24239WB1919PLC136397

**vii. Market Price Data**

High, Low during each month in the last financial year at BSE and NSE:

Month	BSE Zandu Price (₹)		NSE Zandu Price (₹)	
	High	Low	High	Low
April, 2015	1815.50	1428.00	1,820.00	1,429.00
May, 2015	1585.00	1443.00	1,584.55	1,434.00
June, 2015	1621.50	1275.00	1,613.30	1,290.30
July, 2015	1638.00	1414.50	1,650.00	1,417.00
August, 2015	1834.00	1262.00	1,835.00	1,305.00
September, 2015	1430.00	1260.00	1,434.60	1,280.00
October, 2015	1502.25	1396.00	1,510.00	1,392.15
November, 2015	1455.00	1335.00	1,460.00	1,337.00
December, 2015	1699.00	1330.00	1,698.00	1,330.00
January, 2016	1675.00	1325.00	1,676.95	1,328.00
February, 2016	1517.75	1225.50	1,520.00	1,220.10
March, 2016	1507.25	1249.50	1,509.00	1,235.05

**viii. Performance in comparison to broad based indices:**



**ix. Registrar and Share Transfer Agent and Share Transfer System**

The Company's share transfers are handled by Maheshwari Datamatics Pvt. Ltd., Registrar and Transfer Agents (RTA).

**Maheshwari Datamatics Pvt. Ltd.**

6, Mangoe Lane, 2nd Floor, Kolkata – 700 001.

Tel No.: 033 2243 5809 / 5029, Fax No.: 033 2248 4787

Email Id: mdpldc@yahoo.com

**x. Share Transfer System**

The shares received in physical mode by the Company/RTA are transferred expeditiously provided the documents are complete and shares under transfer are not under dispute. Confirmation in respect of the request for dematerialization of shares is sent to respective depositories – National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) within stipulated period.

**xi. Distribution of Shareholding and shareholding pattern as on 31st March 2016**
**a. Distribution of Shareholding:**

No. of Shares held	No. of Holders	% age	No. of Shares	% age
Upto 500	26,391	99.65	3,55,600	44.10
501 to 1000	55	0.21	36,872	4.57
1001 to 2000	21	0.08	29,991	3.72
2001 to 3000	5	0.02	13,062	1.62
3001 to 4000	1	0.00	3,500	0.43
4001 to 5000	1	0.00	4,500	0.56
5001 to 10000	4	0.02	25,270	3.13
Above 10000	4	0.02	3,37,605	41.87
<b>Total</b>	<b>26,482</b>	<b>100.00</b>	<b>8,06,400</b>	<b>100.00</b>

**b. Shareholding Pattern:**

Sl. No.	Description	No. of Shares	Percentage of Capital
<b>I.</b>	<b>Promoter and Promoter group</b>	<b>2,86,329</b>	<b>35.5071</b>
<b>II.</b>	<b>Public Shareholding</b>		
1.	<b>Institutions:</b>		
	(a) Financial Institutions/Banks	3,245	0.4024
2.	<b>Non-Institutions:</b>		
	(a) Bodies Corporate	81,910	10.1574
	(b) NBFCs registered with RBI	12	0.0015
	(c) Individuals	4,06,655	50.4285
	(d) Non Resident Individual	16,414	2.0355
	(e) Clearing Member	11,835	1.4676
	<b>Sub-total</b>	<b>5,20,071</b>	<b>64.4929</b>
	<b>Total [(I) +(II)]</b>	<b>8,06,400</b>	<b>100.00</b>

**xii. Dematerialization of shares and liquidity:**

As on 31st March 2016, 7,78,674 shares of the Company, aggregating to 96.56% of the paid up share capital of the Company was held in dematerialized form with the NSDL and CDSL.

**xiii. Outstanding convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

**xiv. Commodity price risk or foreign exchange risk and hedging activities**

Not applicable

**xv. Plant Locations**

Not Applicable

**xvi. Address For Correspondence****Corporate Office:**

Akash Tower, 3rd Floor,  
781, Anandapur E.M. Bypass,  
Kolkata 700 107.  
Tel No. 033 6625 1200

**Registered Office:**

Emami Tower, 2nd Floor,  
687, Anandapur E.M. Bypass,  
Kolkata 700 107.  
Tel No. 033 6613 6264  
E-mail: investors@emamirealty.com

**DISCLOSURES****1. Related party transactions :**

All contracts with our affiliates entered into during the year have no potential conflict of interest of the Company at large and are being carried out at an arm's length at fair market value.

Details of such transactions as per requirement of Accounting Standard 18 are disclosed in Note No. 23 to the Financial Statements.

The policy on dealing with related party transactions may be referred to, at the Company's website at the web link [www.emamirealty.com/policy\\_zandu.php](http://www.emamirealty.com/policy_zandu.php)

**2. Details of non-compliance by the Company :**

There has been no non-compliance and no strictures/penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India (SEBI) or any statutory authority on any matters related to capital markets during the last three years.

**3. Whistle Blower Policy :**

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The said policy may be referred to, at the Company's website at the weblink: [www.emamirealty.com/policy\\_zandu.php](http://www.emamirealty.com/policy_zandu.php)

None of the officials/personnel of the Company has been denied access to the Audit Committee. The Vigilance Officer/Chairman of Audit Committee has not received any complaint during the financial year ended 31st March, 2016.

**4. Compliance with requirements of Corporate Governance pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 :**

The Company has complied with all the mandatory requirements of Corporate Governance of the Listing Regulations and has adopted the following discretionary requirements of Part E of Schedule II as mentioned in Regulation 27(1) of the Listing Regulations:

**i. Modified opinion(s) in audit report**

The Company is in the regime of financial statements with unmodified audit opinion.

**ii. Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee

5. The Company has no subsidiary and hence there is no need to frame any policy for determining "material" subsidiary.

6. The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities are not applicable.



## **CEO/CFO CERTIFICATION**

To  
Board of Directors  
**Zandu Realty Limited**

1. We have reviewed the financial statements and the cash flow statement of Zandu Realty Limited for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:
  - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and necessary steps have been taken to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee:
  - (a) Significant changes, if any, in internal control over the financial reporting during the year;
  - (b) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

For **Zandu Realty Limited**

Place : Kolkata  
Date : May 27, 2016

**Sandeep Jhunjunwala**  
*Manager & CFO*

## **Certificate of Compliance with Code of Conduct for Directors and Senior Management**

As required under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of financial year 2015-16.

For **Zandu Realty Limited**

Place : Kolkata  
Date : May 27, 2016

**Sandeep Jhunjunwala**  
*Manager & CFO*

**CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED  
UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Members of  
**Zandu Realty Limited**

We have examined the compliance with the requirements of Corporate Governance by ZANDU REALTY LIMITED for the year ended on 31st March, 2016 as stipulated in Clause 49 of the Listing Agreements of the Company with stock exchanges for the period from 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

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

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

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

For **S. K. Agrawal & Company**  
Firm Registration No. 306033E  
*Chartered Accountants*

**J.K.Choudhury**  
*Partner*  
Membership No.009367

Place : Kolkata  
Date : May 27, 2016

# Independent Auditor's Report

To the Members of  
**Zandu Realty Limited**

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **ZANDU REALTY LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that 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 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.

## AUDITOR'S RESPONSIBILITY

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

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

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 auditor's 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 31st March, 2016, and its Profit and its Cash Flow for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. 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 purpose 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 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 written representations received from the Directors as on March 31, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statement- Refer Note 28 to the financial statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there could be any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.K. Agrawal & Co.**  
*Chartered Accountants*  
Firm's Registration No-306033E

**J.K.Choudhury**  
*(Partner)*

Membership No- 009367

Place: Kolkata

Date: 27th May, 2016

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## Annexure A to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of Zandu Realty Limited ("the Company") on the financial statements for the year ended on 31st March 2016. We report that:

- (i) The Company does not have any fixed assets and accordingly this clause of the Order is not applicable on the Company.
- (ii) The inventories held by the Company have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations give to us, no material discrepancies were noticed on physical verification.
- (iii) The Company has granted unsecured loans to a company covered in the Register maintained under Section 189 of the Companies Act, 2013 ('the Act'). In respect of such loans:
  - a) In our opinion, the rate of interest and other terms and conditions on which loans has been granted to the company listed in the register maintained under Section 189 of the Act is not, prima facie, prejudicial to the interest of the company.
  - b) In case of the loans granted to the company listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - c) There are no overdue amounts in respect of the loan granted to the company listed in the register maintained under Section 189 of the Act.
- (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 Section 186 of the Act.
- (v) The Company has not accepted any deposits from the public.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules prescribed by the Central Government for maintenance of Cost Records under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Value Added Tax, Income-Tax, Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on which they became payable. During the year, the Company did not have any dues towards sales tax, duty of excise, duty of custom, Provident Fund and Employees State Insurance.
- (b) According to the information and explanations given to us, there are no material dues in respect of Income Tax, Service Tax and Cess which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of Dues	Amount under dispute not yet deposited (₹ in lacs)	Financial Year to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	12.77	2004-05	High Court
Income Tax Act, 1961	Income Tax	12.54	2009-10	CIT (A)
Income Tax Act, 1961	Income Tax	29.86	2010-11	CIT (A)
Income Tax Act, 1961	Income Tax	0.30	2014-15	CPC Income Tax

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has paid or provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standard.
- (xiv) According to the information and explanations given to us and based on our examination of records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

For **S.K. Agrawal & Co.**  
*Chartered Accountants*  
 Firm's Registration No-306033E

**J.K.Choudhury**  
*(Partner)*  
 Membership No- 009367

Place: Kolkata  
 Date: 27th May, 2016

## Annexure B to the Independent Auditor's Report

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **ZANDU REALTY LIMITED** ("the Company") as of 31 March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's 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. 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 Companies Act, 2013.

#### AUDITOR'S RESPONSIBILITY

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

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

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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

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

#### OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company.

For **S.K. Agrawal & Co.**  
Chartered Accountants  
Firm's Registration No-306033E

**J.K.Choudhury**  
(Partner)  
Membership No- 009367

Place: Kolkata  
Date: 27th May, 2016

## Balance Sheet as at 31st March, 2016

(₹)

	Note	As at 31.03.2016		As at 31.03.2015	
<b>EQUITY AND LIABILITIES</b>					
<b>Shareholders' Funds</b>					
Share Capital	2	8,06,40,000		8,06,40,000	
Reserves and Surplus	3	1,88,36,89,477	1,96,43,29,477	1,88,68,89,626	1,96,75,29,626
<b>Non - Current Liabilities</b>					
Long - Term Provisions	4		4,62,349		–
<b>Current Liabilities</b>					
Short - Term Borrowing	5	–		35,00,00,000	
Other Current Liabilities	6	97,65,526		58,95,172	
Short - Term Provisions	7	17,226	97,82,752	–	35,58,95,172
<b>TOTAL</b>			<b>1,97,45,74,578</b>		<b>2,32,34,24,798</b>
<b>ASSETS</b>					
<b>Non - Current Assets</b>					
Non - Current Investments	8	1,27,20,60,000		1,35,20,60,000	
Long - Term Loans and Advances	9	31,29,99,898	1,58,50,59,898	65,75,15,661	2,00,95,75,661
<b>Current Assets</b>					
Current Investments	10	12,88,00,000		–	
Inventories	11	14,14,26,000		21,69,30,000	
Trade Receivable	12	3,15,34,202		3,35,65,841	
Cash and Bank Balances	13	3,65,494		3,35,91,811	
Short - Term Loans and Advances	14	8,73,88,984	38,95,14,680	2,97,61,485	31,38,49,137
<b>TOTAL</b>			<b>1,97,45,74,578</b>		<b>2,32,34,24,798</b>
Summary of Significant Accounting Policies and Notes to Accounts	1 to 30				

As per our report of even date

For **S. K. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 306033E

**J. K. Choudhury**

Partner

Membership No. 009367

Place : Kolkata

Date : 27th May, 2016

For and on behalf of the Board of Directors

**Abhijit Datta**

Chairman

**Hari Mohan Marda**

Director

**Sandeep Jhunjunwala**

Manager &amp; CFO

**Swetha Mukherjee**

Company Secretary

## Statement of Profit & Loss for the year ended 31st March, 2016

(₹)

Particulars	Note	2015-16	2014-15
<b>INCOME</b>			
Revenue from Operation	15	8,66,79,000	86,91,06,000
Other Income	16	14,54,03,108	86,75,69,133
<b>Total Revenue (I)</b>		<b>23,20,82,108</b>	<b>1,73,66,75,133</b>
<b>EXPENSES</b>			
(Increase)/Decrease in Inventories	17	7,55,04,000	82,55,79,000
Employee Benefits Expense	18	30,25,947	5,10,300
Finance Cost	19	2,31,83,914	2,15,62,071
Other Expenses	20	4,21,45,287	7,32,56,018
<b>Total Expenses (II)</b>		<b>14,38,59,148</b>	<b>92,09,07,389</b>
<b>Profit before tax (I-II)</b>		<b>8,82,22,960</b>	<b>81,57,67,744</b>
<b>Tax Expenses</b>			
Current Tax		1,72,20,000	17,23,00,000
Earlier Year Income Tax (net)		5,12,000	7,20,292
<b>Profit for the period</b>		<b>7,04,90,960</b>	<b>64,27,47,452</b>
<b>Earnings per equity share of face value of ₹ 100/- each</b>			
Basic & Diluted	21	87.41	797.06
Summary of Significant Accounting Policies and Notes to Accounts	1 to 30		

As per our report of even date

For **S. K. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 306033E

**J. K. Choudhury**

Partner

Membership No. 009367

Place : Kolkata

Date : 27th May, 2016

For and on behalf of the Board of Directors

**Abhijit Datta**

Chairman

**Hari Mohan Marda**

Director

**Sandeep Jhunjhunwala**

Manager & CFO

**Swetha Mukherjee**

Company Secretary



## Cash Flow Statement for the year ended 31st March, 2016

(₹)

	2015-16	2014-15
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	8,82,22,960	81,57,67,744
<b>Adjustments for:</b>		
Dividend on Long Term Non Trade Investments	(95,79,007)	(45,55,042)
Interest on Loan Given	(6,07,03,495)	(5,63,87,130)
Interest Expenses	1,90,09,192	1,79,01,934
Proportionate transfer from Revaluation Reserve	(7,36,91,109)	(80,57,57,065)
<b>Operating Profit before Working Capital Changes</b>	<b>(3,67,41,459)</b>	<b>(3,30,29,559)</b>
<b>Adjustments for:</b>		
Increase in Long - Term Provisions	4,62,349	–
Increase/(decrease) in Other Current Liabilities	38,70,354	(44,40,71,362)
Increase in Short - Term Provisions	17,226	–
Decrease in Inventories	7,55,04,000	82,55,79,000
Decrease in Trade Receivable	20,31,639	1,20,84,755
(Increase) in Long - Term Loans and Advances	–	(7,20,000)
(Increase)/Decrease in Short - Term Loans and Advances	(5,76,27,499)	24,58,673
<b>Cash Generated from Operations</b>	<b>(1,24,83,390)</b>	<b>36,23,01,507</b>
Direct Taxes paid	(1,77,32,000)	(29,21,82,997)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(3,02,15,390)</b>	<b>7,01,18,510</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Long - Term Non Trade Investment	–	(10,00,00,000)
Redemption of Long - Term Trade Investment	8,00,00,000	–
Purchase of Short - Term Trade Investment	(12,88,00,000)	–
Dividend on Long Term Non Trade Investment	95,79,007	45,55,042
Loans Given to Corporate Bodies	(6,33,00,000)	3,88,55,061
Realisation of Loans Given from Corporate Bodies	43,84,00,000	(1,11,20,00,000)
Interest Received	3,01,19,258	76,88,00,000
<b>Net Cash Flow from Investing Activities (B)</b>	<b>36,59,98,265</b>	<b>(39,97,89,897)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short-Term Borrowings	–	35,00,00,000
Repayment of Short-Term Borrowings	(35,00,00,000)	–
Interest Paid	(1,90,09,192)	(2,11,85,702)
<b>Net cash flow from Financing Activities (C)</b>	<b>(36,90,09,192)</b>	<b>32,88,14,298</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(3,32,26,317)</b>	<b>(8,57,089)</b>
Cash and Cash Equivalents at the beginning of the year *	3,35,91,811	3,44,48,900
<b>Cash and Cash Equivalents at the end of the year *</b>	<b>3,65,494</b>	<b>3,35,91,811</b>

\* Represents Cash and Bank Balances as indicated in Note 13

As per our report of even date

For **S. K. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 306033E

**J. K. Choudhury**

Partner

Membership No. 009367

Place : Kolkata

Date : 27th May, 2016

For and on behalf of the Board of Directors

**Abhijit Datta**

Chairman

**Hari Mohan Marda**

Director

**Sandeep Jhunjunwala**

Manager &amp; CFO

**Swetha Mukherjee**

Company Secretary

# Notes to Financial Statements

## Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### I. Basis of preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provision of the Act (to the extent notified). Accounting policies have been consistently applied except where a new accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### II. Use of estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

### III. Fixed Assets

Fixed Assets are stated at cost less depreciation. Interest and other financial charges on loans borrowed specifically for acquisition of capital assets are capitalized till the start of its intended use.

### IV. Depreciation

Depreciation are provided on written down value basis, at the rate determined with reference to the useful lives specified in the Schedule II of the Companies Act, 2013.

### V. Investments

Long term investments are stated at cost. Current investments are stated at cost or fair value whichever is lower. Diminution in value of long term investments other than temporary in nature is charged to Statement of Profit & Loss.

### VI. Inventories

Inventories are valued at lower of cost and net realisable value.

### VII. Revenue Recognition

Revenues are recognised in accordance with the guiding principles of Accounting Standard - 9, notified in the Companies (Accounting Standards) Rules 2006.

### VIII. Provisions and Contingent Liabilities

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and reliable estimate can be made of the amount of the obligation. Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. Provisions and Contingent Liabilities is revalued at each Balance Sheet date.

### IX. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of assets. All other borrowing costs are charged to revenue. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

### X. Taxation

Provision for tax is made for both current and deferred taxes. Provision for current tax is made at the current tax rates based on assessable income. Deferred income tax reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### XI. Employee Benefits

- a) Short term employee benefits are recognised as expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- b) Post employment and other long term employee benefits are recognised as expense in the Statement of Profit and Loss for the year in which the employees have rendered services. The expenses are recognised at the present value of amounts payable determined using the actuarial valuation techniques at the end of each financial year. Actuarial gains or losses in respect of post employment and other long term benefits are charged to Statement of Profit & Loss.

**XII. Impairment of Assets**

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, notified in Companies (Accounting Standards) Rules 2006, for the purpose of arriving at impairment loss thereon being the difference between the book value and recoverable value of relevant assets. Impairment loss, when crystallizes, are charged against revenues for the year.

**XIII. Earning per share**

Basic earnings per share are calculated by dividing the net profit/loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**XIV. Segment Reporting**

Based on the guiding principles given in the Accounting Standard - 17 on "Segment Reporting", issued by the Institute of Chartered Accountants of India, the Company's primary business segment is Real Estate. Hence, the disclosure requirements of AS-17 in this regard is not applicable.

**XV. Cash and Cash Equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise current account bank balance, cash in hand and bank deposit account balance.

		(₹)	
		As at 31st March, 2016	As at 31st March, 2015
<b>Note 2</b>	<b>SHARE CAPITAL</b>		
	<b>Authorized Shares</b>		
	20,00,000 Equity Shares of ₹100/- each	20,00,00,000	20,00,00,000
	<b>Issued, subscribed &amp; fully paid-up shares</b>		
	8,06,400 Equity Shares of ₹100/- each	8,06,40,000	8,06,40,000
		<b>8,06,40,000</b>	<b>8,06,40,000</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
At the beginning of the period	8,06,400	8,06,40,000	8,06,400	8,06,40,000
Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>8,06,400</b>	<b>8,06,40,000</b>	<b>8,06,400</b>	<b>8,06,40,000</b>

**b. Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 100/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Details of shareholders holding more than 5% shares in Company**

Name of Shareholders	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Emami Rainbow Niketan Private Limited, Investing Entity to which the Company is an Associate	2,86,329	35.51%	2,86,329	35.51%

(₹)

	As at 31st March, 2016	As at 31st March, 2015
<b>Note 3 RESERVES &amp; SURPLUS</b>		
<b>Revaluation Reserve</b>		
At the beginning of the year	21,17,21,092	1,01,74,78,157
Less: Amount transferred to Statement of Profit & Loss	7,36,91,109	80,57,57,065
<b>Closing Balance</b>	<b>13,80,29,983</b>	<b>21,17,21,092</b>
<b>General Reserve</b>	<b>1,16,48,88,052</b>	<b>1,16,48,88,052</b>
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
At the beginning of the year	51,02,80,482	(13,24,66,970)
Add: Surplus/(deficit) transferred from Statement of Profit & Loss	7,04,90,960	64,27,47,452
<b>Net surplus/(deficit) in the Statement of Profit &amp; Loss</b>	<b>58,07,71,442</b>	<b>51,02,80,482</b>
	<b>1,88,36,89,477</b>	<b>1,88,68,89,626</b>
<b>Note 4 LONG TERM PROVISIONS</b>		
<b>Provision for Employee Benefits (Refer Note No. 22)</b>		
Gratuity	167,146	–
Leave Encashment	295,203	–
	<b>462,349</b>	–
<b>Note 5 SHORT - TERM BORROWING</b>		
<b>Secured</b>		
Loans from Bank (Refer Note No. 26)	–	35,00,00,000
	–	<b>35,00,00,000</b>
<b>Note 6 OTHER CURRENT LIABILITIES</b>		
Unclaimed Dividend	–	15,17,325
Liabilities for Expenses	74,56,067	11,50,203
Other Payables*	23,09,459	32,27,644
	<b>97,65,526</b>	<b>58,95,172</b>
<i>* Includes statutory dues and accrued employee benefits</i>		
<b>Note 7 SHORT - TERM PROVISIONS</b>		
<b>Provision for Employee Benefits (Refer Note No. 22)</b>		
Gratuity	541	–
Leave Encashment	16,685	–
	<b>17,226</b>	–
<b>Note 8 NON - CURRENT INVESTMENTS</b>		
<i>(Long-Term Investment)</i>		
<b>A. TRADE INVESTMENTS</b>		
<b>i. Investments in Debentures - Unquoted fully paid up</b>		
Emami Buildcon Private Limited * 29 (45) Optionally Fully Convertible Debentures of ₹50,00,000/- each	14,50,00,000	22,50,00,000
Emami Estates Private Limited * 25 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	25,00,00,000	25,00,00,000
Emami Home Private Limited * 30 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	30,00,00,000	30,00,00,000
	<b>69,50,00,000</b>	<b>77,50,00,000</b>

(₹)

	As at 31st March, 2016	As at 31st March, 2015
<b>B. OTHER INVESTMENTS</b>		
<b>i. Investments in Equity Instruments - Unquoted fully paid up</b>		
The North Kanara G.S.B. Co-Operative Bank Limited 5,000 Equity Shares of ₹10/- each	50,000	50,000
The Saraswat Co-op. Bank Limited 1,000 Equity Shares of ₹10/- each	10,000	10,000
Emami Agrotech Limited 10,00,000 Equity Shares of ₹10/- each	6,50,00,000	6,50,00,000
Natural Synergies Limited 4,16,750 Equity Shares of ₹10/- each	41,67,500	41,67,500
	6,92,27,500	6,92,27,500
Less: Provision for Diminution in value of Investments	41,67,500	41,67,500
	<b>6,50,60,000</b>	<b>6,50,60,000</b>
<b>ii. Investments in Preference Shares - Unquoted fully paid up</b>		
Emami Paper Mills Limited # 12,80,000 8% Cumulative Redeemable Non-convertible Preference Shares of ₹100/- each	51,20,00,000	51,20,00,000
	<b>51,20,00,000</b>	<b>51,20,00,000</b>
	<b>1,27,20,60,000</b>	<b>1,35,20,60,000</b>
Aggregated amount of unquoted investments	1,27,20,60,000	1,35,20,60,000

\* These Optionally Fully Convertible Debentures (OCD) are redeemable at par or premium at the end of five (5) years from the date of allotment. The date of allotment of the above OCDs is tabled below :

Name of the Issuing Company	No. of OCDs	Date of Allotment
Emami Buildcon Private Limited	29	30.01.2013
Emami Estates Private Limited	25	22.01.2013
Emami Home Private Limited	30	07.03.2013

However, the Company has an option to redeem these debentures before the redemption period.

# 12,80,000 Preference Shares are redeemable at a premium of ₹ 500/- per share; out of which 3,50,000 Nos on 27th March, 2025, 2,00,000 Nos on 12th August, 2025, 4,80,000 Nos on 20th January, 2026 and 2,50,000 Nos on 31st July, 2026. However, the Company has an option to redeem these Preference Share before the redemption period.

(₹)

	As at 31st March, 2016	As at 31st March, 2015
<b>Note 9 LONG-TERM LOANS AND ADVANCES</b>		
<i>(Unsecured, considered good)</i>		
Loans to Related Party (Refer Note 23)	31,22,79,898	65,67,95,661
Security Deposit	7,20,000	7,20,000
	<b>31,29,99,898</b>	<b>65,75,15,661</b>

(₹)

	As at 31st March, 2016	As at 31st March, 2015
<b>Note 10</b> <b>CURRENT INVESTMENTS</b>		
<i>(Short-Term Investment)</i>		
<b>Trade Investments</b>		
Vijaybhan Investments and Consultancy Private Limited* 1,28,800 (Nil) 9% Redeemable Non Convertible Debentures of ₹1,000/- each	12,88,00,000	–
	<b>12,88,00,000</b>	<b>–</b>

\* These Debentures are redeemable at par before the respective maturity date either in full or in parts with the mutual consent of the Company and Debenture Holders.

<b>Note 11</b> <b>INVENTORIES</b>		
Land under Development	13,31,13,615	15,80,50,649
Finished Goods	83,12,385	5,88,79,351
	<b>14,14,26,000</b>	<b>21,69,30,000</b>

<b>Note 12</b> <b>TRADE RECEIVABLE</b>		
<i>(Secured, considered good)</i>		
Others		
- More than six months	99,41,285	–
- Less than six months	2,15,92,917	3,35,65,841
	<b>3,15,34,202</b>	<b>3,35,65,841</b>

<b>Note 13</b> <b>CASH AND BANK BALANCES</b>		
Cash and Cash Equivalents		
- Balances with banks	3,42,853	3,20,47,001
- Cash in hand	22,641	27,485
Other Bank balances		
- Unclaimed Dividend	–	15,17,325
	<b>3,65,494</b>	<b>3,35,91,811</b>

<b>Note 14</b> <b>SHORT - TERM LOANS AND ADVANCES</b>		
<i>(Unsecured considered good)</i>		
Advance Income Taxes (Net of provisions)	1,45,81,836	1,20,93,375
Debenture Application Money	4,70,00,000	–
Service Tax Credit Receivable	95,53,219	68,60,404
Income Tax Refundable	98,68,510	1,02,06,650
Other Receivable	63,85,419	6,01,056
	<b>8,73,88,984</b>	<b>2,97,61,485</b>

(₹)

	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Note 15 REVENUE FROM OPERATION</b>		
Sale of Property (Refer Note 27)	8,66,55,000	86,88,00,000
Other Operating Income	24,000	3,06,000
	<b>8,66,79,000</b>	<b>86,91,06,000</b>
<b>Note 16 OTHER INCOME</b>		
Interest Income		
- Loan Given	5,46,44,331	5,63,87,130
- Debentures	60,59,164	-
Dividend from Long-Term Non Trade Investments	95,79,007	45,55,042
Commission	6,62,746	6,89,881
Miscellaneous Receipts	7,66,751	1,80,015
Proportionate transfer from Revaluation Reserve (Refer Note 27)	7,36,91,109	80,57,57,065
	<b>14,54,03,108</b>	<b>86,75,69,133</b>
<b>Note 17 (INCREASE)/DECREASE IN INVENTORIES</b>		
<b>I. Opening Stock</b>		
Land under Development	15,80,50,649	1,04,25,09,000
Finished Goods	5,88,79,351	-
	<b>21,69,30,000</b>	<b>1,04,25,09,000</b>
<b>II. Closing Stock</b>		
Land under Development	13,31,13,615	15,80,50,649
Finished Goods	83,12,385	5,88,79,351
	<b>14,14,26,000</b>	<b>21,69,30,000</b>
<b>Net (Increase) / Decrease (I-II)</b>	<b>7,55,04,000</b>	<b>82,55,79,000</b>
<b>Note 18 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	30,25,947	5,10,300
	<b>30,25,947</b>	<b>5,10,300</b>
<b>Note 19 FINANCE COST</b>		
Interest Expenses	1,90,09,192	1,79,01,934
Other Borrowing Cost	41,74,722	36,60,137
	<b>2,31,83,914</b>	<b>2,15,62,071</b>

(₹)

		Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Note 20</b>	<b>OTHER EXPENSES</b>		
	Advertisement & Publicity	90,429	79,565
	Electricity Charges	4,18,256	4,47,442
	Rent	15,01,492	14,89,035
	Repair to Others	9,84,530	9,91,976
	Rates & Taxes	47,791	17,931
	Legal & Professional Fees	56,03,023	50,05,380
	Directors' Sitting Fees (Refer Note 23)	3,30,388	2,92,500
	Brokerage	14,00,000	10,50,000
	Travelling & Conveyance	4,56,213	5,45,570
	Corporate Social Responsibility (Refer Note 24)	1,15,00,000	–
	Donation	–	4,37,00,000
	Service Charges	1,80,31,000	1,80,00,000
	Miscellaneous Expenditures	15,78,090	13,81,619
	Auditors Remuneration (Refer Note 25)	2,04,075	2,55,000
		<b>4,21,45,287</b>	<b>7,32,56,018</b>

<b>Note 21</b>	<b>EARNINGS PER SHARE (EPS)</b>		
	<b>Earnings per Share is calculated as follows :</b>		
	Net Profit/(loss) after tax attributable to Equity Shareholders	7,04,90,960	64,27,47,452
	Weighted average number of equity shares Basic and Diluted (in nos.)	8,06,400	806,400
	Nominal value of equity share	100	100
	<b>Basic and Diluted Earnings per share</b>	<b>87.41</b>	<b>797.06</b>

<b>Note 22</b>	<b>DEFINED BENEFIT PLANS</b>
----------------	------------------------------

As per Actuarial Valuations as on 31st March, 2016 and recognized in the financial statement in respect of Employee benefit schemes

(₹)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
	Unfunded	Unfunded	Unfunded	Unfunded
<b>A. Components of Employer Expenses</b>				
1. Current Service Cost	3,11,888	1,67,687	–	–
2. Interest Cost	–	–	–	–
3. Expected Return on plan assets	–	–	–	–
4. Actuarial Gain/Loss	–	–	–	–
5. Total Expenses recognized in the Statement of Profit and Loss	3,11,888	1,67,687	–	–



Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
	Unfunded	Unfunded	Unfunded	Unfunded
<b>B. Net asset/(liability) recognized in balance sheet as at 31st March, 2016</b>				
1. Present value of Defined Benefits Obligation	3,11,888	1,67,687	-	-
2. Fair Value of Plan Assets	-	-	-	-
3. Funded Status [Surplus/(deficit)]	(3,11,888)	(1,67,687)	-	-
4. Net asset/(liability) recognized in balance sheet	(3,11,888)	(1,67,687)	-	-
<b>C. Change in Defined Benefit Obligation during the year ended 31st March, 2016</b>				
1. Present value of DBO at beginning of period	-	-	-	-
2. Current Service Cost	3,11,888	1,67,687	-	-
3. Interest Cost	-	-	-	-
4. Actuarial Gain/Loss	-	-	-	-
5. Benefits Paid	-	-	-	-
6. Present value of DBO at the end of period	3,11,888	1,67,687	-	-
<b>D. Change in Fair Value of Assets</b>				
1. Plan assets at beginning of period	-	-	-	-
2. Expected Return on Plan assets	-	-	-	-
3. Actuarial Gains	-	-	-	-
4. Actual company contributions	-	-	-	-
5. Benefits paid	-	-	-	-
6. Plan assets at the end of period	-	-	-	-
<b>E. Actuarial Assumptions</b>				
1. Discount Rate	8.00%	8.00%	-	-
2. Inflation Rate	6.00%	6.00%	-	-

**Note 23 RELATED PARTY TRANSACTION**

## i) List of related parties where control exists :

Name of Related Party	Relationship
a. Emami Infrastructure Limited	Holding Company of Emami Rainbow Niketan Private Limited
b. Emami Rainbow Niketan Private Limited	Investing Entity to which the Company is an Associate

## ii) Key Management Personnel &amp; Other Directors :

## a) Key Management Personnel

1. Mr. Sandeep Jhunjunwala	Director, Manager & CFO
2. Mrs. Swetha Mukherjee (w.e.f. 10.10.2015)	Company Secretary
3. Mr. Anand R. Mundra (upto 30.03.2015)	CEO (Commercial) & Company Secretary

b) **Other Directors :**

- |                         |                                      |
|-------------------------|--------------------------------------|
| 1. Mr. Abhijit Datta    | Non-Executive Chairman (Independent) |
| 2. Mr. Hari Mohan Marda | Independent Director                 |
| 3. Mr. Aditya Poddar    | Independent Director                 |
| 4. Mrs. Karabi Sengupta | Independent Director                 |

iii) **Other related parties with which Company has transaction :**

- AMRI Hospitals Limited
- Aviro Vyapaar Private Limited
- Bhanu Vyapaar Private Limited
- Emami Buildcon Private Limited
- Emami Limited
- Emami Paper Mills Limited
- Emami Realty Limited
- Emami Estates Private Limited
- Emami Home Private Limited
- Emami Agrotech Limited
- Anamika Kala Sangam Trust

iv) **Transactions during the year with related Parties :**

(₹)

Nature of Transactions	Transactions with parties as per clause (i)		Transactions with parties as per clause (ii)		Transactions with parties as per clause (iii)		Total	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Service Charges Paid	72,24,000	-	-	-	1,08,07,000	-	1,80,31,000	-
Remuneration Paid	-	-	25,46,372	5,10,300	-	-	25,46,372	5,10,300
Sitting Fees	-	-	3,30,000	2,92,500	-	-	3,30,000	2,92,500
Loan Given	-	-	-	-	6,33,00,000	-	6,33,00,000	-
Realisation of Loan Given	-	-	-	-	43,84,00,000	-	43,84,00,000	-
Interest Received	-	-	-	-	2,40,60,094	-	2,40,60,094	-
Rent Paid	-	-	-	-	14,42,400	-	14,42,400	-
Maintenance Paid	-	-	-	-	9,61,600	-	9,61,600	-
Electricity Charges Paid	-	-	-	-	3,05,966	-	3,05,966	-
Commission Paid	-	-	-	-	1,74,722	-	1,74,722	-
Commission Received	-	-	-	-	6,62,746	-	6,62,746	-
Corporate Social Responsibility	-	-	-	-	1,15,00,000	-	1,15,00,000	-
Dividend Received	-	-	-	-	95,71,507	-	95,71,507	-
Reimbursement Expenses Received	-	-	-	-	1,80,000	-	1,80,000	-
Reimbursement Expenses	-	-	-	-	1,66,75,413	-	1,66,75,413	-
Redemption of OCD	-	-	-	-	8,00,00,000	-	8,00,00,000	-
Deposit u/s 160	1,00,000	-	-	-	-	-	1,00,000	-
Refund of Deposit u/s 160	1,00,000	-	-	-	-	-	1,00,000	-
<b>Balance as on 31st March, 2016</b>								
Loan Given	-	-	-	-	26,31,00,000	-	26,31,00,000	-
Interest Receivable	-	-	-	-	4,91,79,898	-	4,91,79,898	-
Investments	-	-	-	-	1,27,20,00,000	-	1,27,20,00,000	-

(₹)

	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>Note 24 CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES</b>		
Amount required to be spent by the Company during the year	88,82,915	–
Amount spent during the year through registered trust	1,15,00,000	–
<b>Note 25 AUDITORS REMUNERATION</b>		
Statutory Audit Fees	1,50,000	1,50,000
Fees for Limited Review & Other Certification	54,075	1,05,000
	<b>2,04,075</b>	<b>2,55,000</b>

**Note 26** Borrowings from RBL Bank Limited is secured by way of hypothecation on receivables of the project at “Zandu Sigma Estates”, 70 Gokhele Road, Dadar, Mumbai 400025 coupled with the corporate guarantee by the related party. Repaid on 16th October, 2015.

**Note 27** Following the accounting policies for revenue recognition, the Company has recognised revenue attributable to 3270 sq.ft. carpet area in relation to the project at 70 Gokhele Road, Mumbai 400025 and as such the proportionate Revaluation Reserve amounting to ₹7,36,91,109/- has been transferred to Statement of Profit and Loss.

**Note 28 Contingent Liabilities not provided for in respect of:**  
Disputed Direct Taxes of ₹42,70,869/- (₹42,40,427/-) net of advances.

**Note 29** The Company operates in a single Business Segment i.e. Real Estate Development.

**Note 30** Previous year's figures have been rearranged or regrouped wherever necessary.

As per our report of even date

For **S. K. AGRAWAL & CO.**

Chartered Accountants

Firm Registration No. 306033E

**J. K. Choudhury**

Partner

Membership No. 009367

Place : Kolkata

Date : 27th May, 2016

For and on behalf of the Board of Directors

**Abhijit Datta**

Chairman

**Hari Mohan Marda**

Director

**Sandeep Jhunjunwala**

Manager & CFO

**Swetha Mukherjee**

Company Secretary



## BOOK-POST

*If undelivered, please return to:*

### **ZANDU REALTY LIMITED**

CIN : L24239WB1919PLC136397

Registered Office : Emami Tower, 2nd Floor, 687, Anandapur, E.M. Bypass, Kolkata - 700 107

Phone: + 91-33-6613 6264, 6625 1200

E-mail: [investors@emamirealty.com](mailto:investors@emamirealty.com), Website : [www.emamirealty.com](http://www.emamirealty.com)

# zandu realty limited

CIN: L24239WB1919PLC136397

**Corp Off:** Akash Tower, 3rd Floor, 781, Anandapur, E.M. Bypass, Kolkata-700 107; ☎ 033 6625 1200

**Regd. Off:** Emami Tower, 2nd Floor, 687, Anandapur, E.M. Bypass, Kolkata-700 107; ☎ 033 6613 6264

✉ investors@emamirealty.com; Website : www.emamirealty.com

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## Notice

**NOTICE** is hereby given that the 97th Annual General Meeting of the Members of Zandu Realty Limited will be held at Emami Tower, 687 Anandapur, E.M. Bypass, Kolkata – 700 107 on Thursday, 29th September, 2016 at 11.00 A.M. to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sandeep Jhunjunwala (DIN: 06433099), who retires by rotation and being eligible, offer himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 and Rules made thereunder and pursuant to the resolution passed by the Members at the 96th Annual General Meeting held on 9th September 2015 and on recommendation of Audit Committee and Board of Directors, the appointment of M/s. S. K. Agrawal & Co., Chartered Accountants (Registration No. 306033E) as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company, be and is hereby ratified at a remuneration to be decided by the Board of Directors.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and approval of the Board and the provisions of the Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Members be and is hereby accorded to the variation in the terms of remuneration of Mr. Sandeep Jhunjunwala, Manager & CFO of the Company, upto the remaining period of his tenure, i.e., 8th November 2017, as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolution”.

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in supersession of the resolution passed by the members at the Annual General Meeting held on 5th September 2014 in this regard, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies in any form from one or more bodies corporate, banks, financial institutions, or from other entity by way of advances, loans, debentures/bonds or any other security(ies) or otherwise and whether secured or unsecured, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not, at any time, exceed the limit of ₹ 500 Crores.

**RESOLVED FURTHER** that the Board or any person nominated by the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things as they may deem necessary to give effect to the above resolution and/or to execute all such documents, instruments and writings as may be required.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Sections 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to mortgage and/or create charge, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, on the movable and / or immovable assets and properties of the Company, wherever situate, present and future, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), corporate body(ies), etc. to secure the loans, borrowings, debentures, and / or working capital facilities and other credit facilities availed / to be availed by the Company as the Board deem fit, subject to the limits approved under Section 180(1)(c) of the Act from time to time and that all charges created on the movable and immovable properties of the Company and all agreements, deeds, papers etc. executed for the purpose, under the authority of the Board and all acts, deeds and things done in this regard, be and are hereby ratified, approved and confirmed.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorised to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/ documents/ undertakings/ agreements/ papers/ writings as may be required in this regard and to settle any question, difficulty or doubt that may arise in this regard and also to delegate all or any of the above powers to any other person.”

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, read with Rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the consent of the Audit Committee and Board of Directors vide resolutions passed in their respective meetings, the approval of the Company be and is hereby accorded to enter into transactions with related parties for the financial year commencing on April 1, 2016 and for every financial year thereafter, as detailed in table forming part of the Explanatory Statement annexed to this Notice and that the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its power, including the powers conferred by this Resolution) be and is hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary and to sign and execute any documents/ agreements/ papers/ writings as may be necessary and relevant for giving effect to this resolution and for the matters connected therewith or incidental thereto.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in supersession of the resolution passed by the members at the Annual General Meeting held on 9th September 2015 in this regard, the Board of Directors (hereinafter referred to as ‘the Board’ which shall deem to include any committee thereof) be and are hereby authorized to contribute and/or donate from time to time, to bonafide charitable and other funds/activities, in any financial year, any amount the aggregate of which, may exceed five per cent of its average net profits for the three immediately preceding financial years, subject to a limit of ₹ 20 Crores.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary and/ or expedient for implementing and giving effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard on behalf of the Company.”



**Swetha Mukherjee**  
Company Secretary

Place : Kolkata  
Date : May 27, 2016

**Notes :**

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Proxy, to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.**  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in relation to the Special Businesses is annexed hereto and forms part of this Notice.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 23rd day of September, 2016 to 29th day of September, 2016, (both days inclusive).
6. A statement containing details of the Director seeking re-appointment at the Meeting as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & SS-2 is annexed.
7. As an austerity measure, copies of the Annual Report will not be distributed at the Meeting; members are requested to bring their copies to the meeting.
8. Members are requested to intimate to the Company, queries, if any, regarding the audited accounts at least ten days before the Meeting to enable the Management to keep the information ready at the Meeting.
9. Members / Proxies are requested to bring their Attendance Slip sent herewith, duly filled in, for attending the Meeting.
10. In terms of Section 205C of the Companies Act, 1956, unpaid dividend pertaining to financial year 2007-08 (Final Dividend) amounting to ₹ 6,54,350/- were transferred to the Investors Education and Protection Fund during the year under review. There is no further amount lying unpaid/unclaimed with the Company.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA for registration of transmission/transposition, deletion of name etc.
12. Electronic copy of the Annual Report for 2015-16 and Notice of the 97th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all such members whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 97th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 97th Annual General Meeting and Annual Report for 2015-16 will also be available on Company's website at [www.emamirealty.com](http://www.emamirealty.com) for their download.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure



Requirements) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to all members, for which purpose the Company has engaged the services of Central Depository Services (India) Limited (CDSL). The Board has appointed M/S MKB & Associates, Practicing Company Secretaries as the Scrutinizer for this purpose.

15. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on 22nd September, 2016 (cut-off date). Only those members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or ballot voting at the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice as for information purpose only.
16. The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM who have not cast their vote through remote e-voting shall be able to exercise their right at the AGM through ballot paper. The members who have already cast their vote through remote e-voting may attend AGM but will not be entitled to cast their votes again.

**The instructions to members for remote e-voting are as under:**

- (i) The voting period begins on Monday, 26th September, 2016 from 10:00 a.m. (IST) and ends on Wednesday, 28th September, 2016 5:00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID:
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c) Members holding shares in physical form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and in Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field—Sequence number is communicated in the Covering Letter.</li> </ul>
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.  Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "ZANDU REALTY LIMITED".
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on "FORGOT PASSWORD" & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates and Custodians respectively.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xx) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company.
- (xxi) Those who become Members of the Company after dispatch of the AGM Notice but on or before 22nd September 2016 (cut-off date) may write to CDSL at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or to the Company at [investors@emamirealty.com](mailto:investors@emamirealty.com) requesting for e-voting details. However, those Members already registered with CDSL for remote e-voting can login to website [www.evotingindia.com](http://www.evotingindia.com) and exercise their votes.
- (xxii) The results of voting will be declared within 48 hours from the conclusion of AGM and the resolutions proposed thereat will be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes. The declared results, along with Scrutinizer's Report, will be available forthwith on the Company's website [www.emamirealty.com](http://www.emamirealty.com) and on the website of CDSL, such results will also be forwarded to the Stock Exchanges where the Company's shares are listed.
- (xxiii) In case of members receiving the physical copy they are advised to follow all steps from serial no. (i) to (xvii) above.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 4**

The Board of Directors in their meeting held on 9th November, 2012 had appointed Mr. Sandeep Jhunjhunwala as Director & Manager of the Company for a period of 5 years without remuneration which was approved by the shareholders in the Annual General Meeting held on 12th August, 2013. Subsequently, on the recommendations of the Nomination & Remuneration Committee, the Board in its meeting held on 13th February, 2015 approved payment of remuneration to Mr. Jhunjhunwala w.e.f. 1st January, 2015 and in its meeting held on 25th May 2015 formally appointed Mr. Jhunjhunwala as the CFO of the Company in addition to his current designation of Director & Manager, which was approved by the members at their Annual General Meeting held on 9th September, 2015.

Pursuant to the recommendations of the Nomination & Remuneration Committee, the Board, at its meeting held on 29th September, 2015, has approved payment of increased remuneration to Mr. Jhunjhunwala w.e.f. 1st April, 2015 on terms and conditions as mentioned in the Supplementary Agreement dated 29th September, 2015 and in its meeting held on 27th May 2016, the Board, further made variation in the terms of remuneration of Mr. Jhunjhunwala by approving payment of ex-gratia and other benefits, subject to approval of the shareholders.

The broad particulars of revision in remuneration to the Manager & CFO during his term of Office are as under:

- (a) Salary of ₹ 1,05,000/- (Rupees One Lakh Five Thousand only) per month with such annual increment as may be recommended by the Nomination & Remuneration Committee from time to time and approved by the Board of Directors alongwith Perquisites and other benefits including HRA, Children Education Allowance, Contribution to Provident Fund, Gratuity, LTA, with effect from 1st April, 2015, as per the Agreement dated 29th September, 2015;
- (b) Mr. Sandeep Jhunjhunwala, shall be entitled to such ex-gratia and other benefits in any financial year with effect from financial year 2016-17, as may be decided upon by the Board from time to time as per Agreement dated 27th May, 2016;

The Board recommends the resolution at item no. 4 for your approval.

Except Mr. Sandeep Jhunjhunwala and his relatives, none of the Directors, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in this Resolution.

Copy of the Agreements dated 29th September, 2015 and 27th May 2016 are available for inspection by the members of the Company at the Corporate Office of the Company between 11.00 am and 1.00 pm on all working days except Saturdays.

### **Item No. 5**

The shareholders of the Company by way of special resolution passed at its 95th Annual General Meeting of the Company held on 5th September, 2014, had authorized the Board of Directors to borrow from time to time, by way of advances, loans, debentures/bonds or any other security(ies) or otherwise, upto a limit of ₹ 200 Crores on such terms and conditions as it may deem fit under section 180(1)(c) of the Companies Act, 2013. In view of the future plans of the Company and anticipating the need for additional funds that may be required, it is necessary to revise the borrowing limit to the extent of ₹ 500 Crores.

The Board accordingly recommends the revised limit to the extent of ₹ 500 Crores under section 180(1)(c) of the Companies Act, 2013 as set out in resolution no. 5 for approval of the members by way of special resolution.

None of the Directors, Key Managerial Personnel and their relatives, are considered or interested, financially or otherwise, in this Resolution.

### **Item No. 6**

In order to create mortgage / charge on the movable & immovable properties of the Company to secure any loans/ borrowings availed/to be availed by the Company, it is necessary to obtain approval of the members by way of special resolution in terms of the requirements of section 180(1)(a) of the Companies Act, 2013.

Accordingly, consent of the members is being sought by way of special resolution as mentioned in item no 6.

None of the Directors, Key Managerial Personnel and their relatives, are concerned or interested, financially or otherwise, in this Resolution.

**Item No. 7**

The provisions of Section 188(1) of the Companies Act, 2013 that govern the related party transactions require a company to obtain prior approval of the Board of Directors and in case the value of transaction exceeds 10% of the turnover of the Company or ₹ 50 Crores, whichever is lower, the prior approval of shareholders by way of ordinary resolution.

Further, in terms of Regulation 23(4) of Listing Regulations, all material related party transaction, i.e., transaction which individually or taken together exceeds 10% of the annual turnover of the listed entity as per the last audited financial statements, shall require approval of the shareholders and the related parties to the particular transaction shall abstain from voting on such resolutions.

In the light of above provisions, the Board of your Company, on recommendations of the Audit Committee has approved the transactions along with limits that the Company may enter into with related parties for the financial year 2016-17 and beyond.

Information required to be provided under Rule 15(3) of the Companies (Meeting of the Board and its Power), 2014 is as under:

Sl. No.	Name of Related Party	Name of the director or KMP who is related	Nature of Relationship	Nature and material terms of Transaction	Monetary value of the contract or arrangement per financial year
1.	Emami Infrastructure Limited	None, excluding the Independent Directors	Holding Company of Emami Rainbow Niketan Pvt. Ltd. ("ERNPL"), to which the Company is an Associate	Reimbursement/payment of expenses/ Service Charges/ Loan/ Advances/ Interest on Loan/ Guarantee  The proposed contracts/ arrangements/ transactions of inter corporate loan(s) or any sale /purchase /service contract transaction(s) or any security(ies) / guarantee(s) in connection with loan(s) and/or any form of debt and/or a combination thereof are as per Related Party Transaction Policy of the Company so the same may be decided by the Board of Directors at relevant time as mutually agreed between the Company and Emami Infrastructure Limited within the overall limits approved by the members.	Aggregate amount shall not exceed ₹ 500 Crores
2.	AMRI Hospitals Limited	None	Entity where Promoters of ERNPL to which the Company is an Associate, has significant influence	Loan /Interest on Loan  The rate of interest on Loan shall not be lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenure of the Loan.	Aggregate amount shall not exceed ₹ 35 Crores
3.	Anamika Kala Sangam Trust	None	Entity where Promoters of ERNPL to which the Company is an Associate, has significant influence	CSR Expenditure	Aggregate amount shall not exceed ₹ 20 Crores

4	Suntrack Commerce Pvt. Ltd., Bhanu Vyapaar Pvt. Ltd., Diwakar Viniyog Pvt. Ltd., Suraj Viniyog Pvt. Ltd.	None	Promoters of Holding Company of ERNPL to which the Company is an Associate	Corporate Guarantee for Loan to be raised by the Company, not exceeding ₹ 500 Crores.  Security by pledge of shares of Emami Limited held by any of the said party  The said Corporate Guarantee/security shall be as per the requirement of Banks/ financial institutions/ NBFCs or any other Lenders.	Aggregate amount shall not exceed ₹ 500 Crores
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Any other information relevant or important for the members to take a decision on the proposed resolution: NIL

The Audit Committee has approved the abovesaid related party transactions and has noted that these transactions are in the ordinary course of business and are at arm's length.

Accordingly, approval of the members is sought under first proviso to Section 188 of the Companies Act, 2013 and Regulation 23(4) of Listing Regulations for entering into related party transactions as mentioned above, by way of an Ordinary Resolution.

Your Directors recommend the resolution for members' approval by an Ordinary Resolution.

None of the Directors, KMPs or their relatives, are concerned or interested or deemed to be concerned or interested, financially or otherwise, in the aforesaid resolution.

#### Item No. 8

Under Section 181 of the Companies Act, 2013, the Board of Directors of the Company is authorized to make contributions to charitable and other funds, provided that prior permission of the members is obtained for such contributions during a financial year where such contribution exceeds 5% of its average net profits during the three immediately preceding financial years. At the 96th Annual General Meeting of the Company held on 9th September, 2015, the shareholders of the Company had authorized the Board of Directors to make contributions to bona fide charitable and other funds, in any financial year, exceeding 5% of the Company's average net profits during the three immediately preceding financial years, subject to a limit of ₹ 10 Crores.

Approval of the Members is being sought, to supersede the Resolution passed at the 96th Annual General Meeting and authorize the Board of Directors to make contributions to bona fide charitable and other funds, in any financial year, exceeding 5% of the Company's average net profits during the three immediately preceding financial years, subject to a limit of ₹ 20 Crores.

None of the Directors, Key Managerial Personnel and their relatives, are considered or interested, financially or otherwise, in this Resolution.

By Order of the Board

*Swetha Mukherjee*

Place : Kolkata

Date : May 27, 2016

**Swetha Mukherjee**

*Company Secretary*

#### Details of Director pursuant to Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings

Mr. Sandeep Jhunjunwala, aged 44 years, is the Manger & CFO of the Company. He is a Chartered Accountant and Cost Accountant and has over 20 years of rich experience in Service, Manufacturing & Real Estate Industry in the field of Finance, Accounts, Secretarial, MIS, Direct and Indirect Taxes and Inventory Management. Mr. Jhunjunwala was first appointed by the Board on 9th November, 2012 and the terms and conditions of appointment are as per the resolutions passed by the shareholders in the Annual General Meeting held on 12th August, 2013, 9th September, 2015 and as contained in the accompanying Notice. Details of his last drawn remuneration and number of board meetings attended during the year are given in Corporate Governance Report section of the Annual Report 2015-16 and proposed remuneration is given in the Explanatory Statement above. He does not hold any shares in the Company. He is not related to any other Director of the company. He is not a director/committee member in any other listed/ unlisted public company.

**zandu realty limited**

CIN : L24239WB1919PLC136397

Corp Off: Akash Tower, 3<sup>rd</sup> Floor, 781, Anandapur, E.M.Bypass, Kolkata-700 107, Tel : 033 6625 1200Regd. Off: Emami Tower, 2<sup>nd</sup> Floor, 687, Anandapur, E.M. Bypass, Kolkata-700 107, Tel : 033 6613 6264E-mail: investors@emamirealty.com, Website : [www.emamirealty.com](http://www.emamirealty.com)

<b>ATTENDANCE SLIP</b>  I/We hereby record my/our presence at the 97 <sup>th</sup> Annual General Meeting (AGM) of Zandu Realty Limited being held on Thursday, 29th September, 2016 at 11.00 A.M. at Emami Tower, 687 Anandapur, E.M. Bypass, Kolkata-700107	<b>Folio No/DP ID &amp; Client ID :</b>
	<b>Share Holding :</b>
	<b>Serial No :</b>
	<b>Name :</b>
	<b>Name(s) of Joint Holder(s), if any :</b>
	<b>Address :</b>

.....  
Proxy's Name in Block Letters.....  
Member's/Proxy's Signature

**Note :** Please bring the Attendance Slip duly signed to the meeting and hand it over at the Entrance of the Meeting Hall. Duplicate slips will not be issued at the venue of the AGM.

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**ELECTRONIC VOTING PARTICULARS**

EVEN (Electronic Voting Event Number)	User ID	Password

~~✂~~

**zandu realty limited**

CIN : L24239WB1919PLC136397

Corp Off: Akash Tower, 3<sup>rd</sup> Floor, 781, Anandapur, E.M.Bypass, Kolkata-700 107, Tel : 033 6625 1200Regd. Off: Emami Tower, 2<sup>nd</sup> Floor, 687, Anandapur, E.M. Bypass, Kolkata-700 107, Tel : 033 6613 6264E-mail: investors@emamirealty.com, Website : [www.emamirealty.com](http://www.emamirealty.com)

<b>PROXY FORM – MGT-11</b>
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[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : .....

Registered Address : .....

E-mail ID : .....

Folio No/DP ID &amp; Client ID : .....

I/We, being the Member(s) of Zandu Realty Limited, holding.....Equity Shares of the above named Company, hereby appoint :

1) Name : ..... Address : .....

E-mail ID : ..... Signature : .....or failing him/her;

2) Name : ..... Address : .....

E-mail ID : ..... Signature : .....or failing him/her;

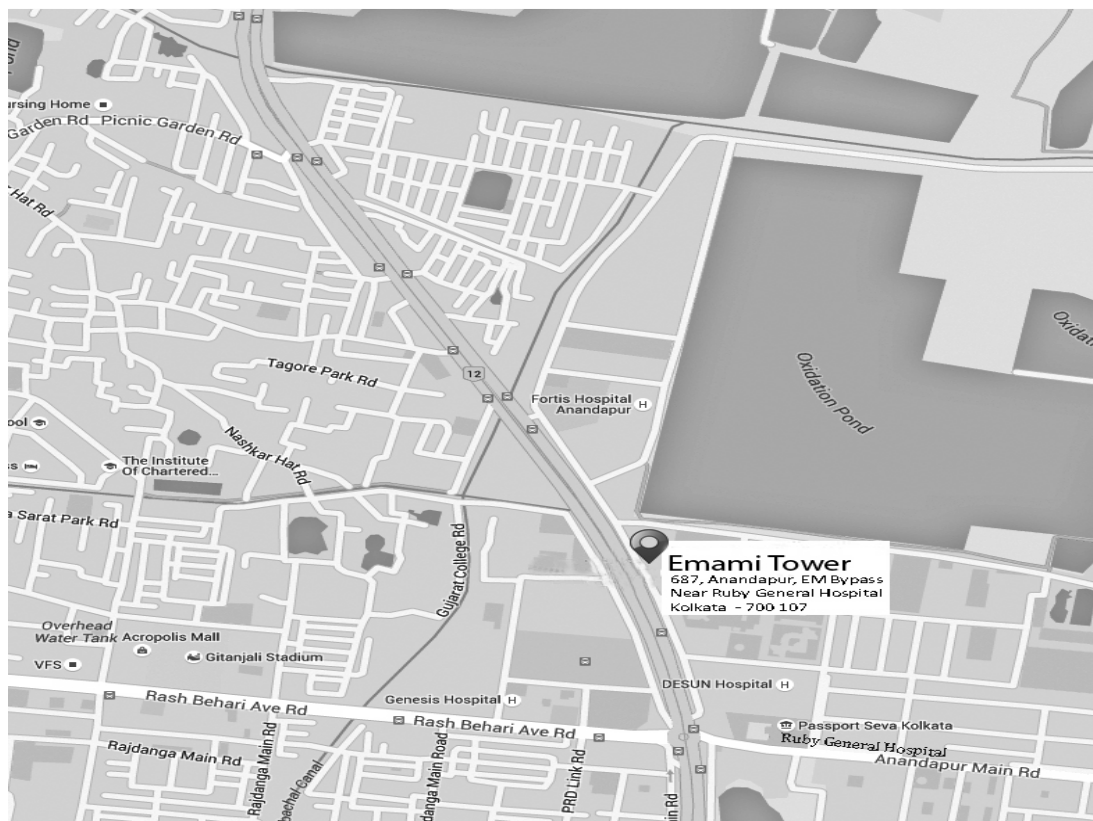
3) Name : ..... Address : .....

E-mail ID : ..... Signature : .....

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 97<sup>th</sup> Annual General Meeting (AGM) of the Company, to be held on Thursday, 29<sup>th</sup> September, 2016 at 11.00 A.M. at Emami Tower, 687 Anandapur, E.M. Bypass, Kolkata-700107 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	Optional *	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the reports of the Directors and Auditors thereon		
2.	Appointment of Mr. Sandeep Jhunjunwala (DIN: 06433099) who retires by rotation and being eligible offers himself for reappointment		

**The Route Map of the AGM Venue is given below:**



3.	Ratification of appointment of M/S S.K. Agrawal & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office till the conclusion of next AGM of the Company and authorise Board of Directors to fix their remuneration		
<b>Special Business</b>			
4.	Variation in the terms of remuneration of Mr. Sandeep Jhunjhunwala, Manager & CFO		
5.	Increase in Borrowing limits u/s 180(1)(c) of the Companies Act, 2013		
6.	Approval for creation of charge/mortgage on the assets of the Company u/s 180(1)(a) of the Act		
7.	Approval to Related Party Transactions		
8.	Approval to contribute and/or donate to bonafide charitable and other funds/activities.		

Affix  
Revenue  
Stamp  
of ₹ 1/-  
here

Signed this .....day of .....2016

Signature of Proxyholder..... Signature of Shareholder.....

- Notes :**
1. This form of proxy in order to be effective should be duly completed and deposited at the Company's Registered Office not less than 48 hours before the commencement of the AGM.
  2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of 8<sup>th</sup> Annual General Meeting of the Company.
  3. \*It is optional to put a 'X' in the appropriate column against the resolutions indicated to the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.