



zandu realty limited

Ref: EIL/ZRL/SECRETARIAL/2017-18/978

13th October, 2017

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

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

Respected Ma'am/Sir,

Sub: Disclosure under Regulation 34: Annual Report for the Financial Year 2016-17

In terms of requirement of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report of the Company which has been approved and adopted in the 98th Annual General Meeting of the Company held on 21st September, 2017.

You are requested to kindly take the same on record.

Thanking you
Yours faithfully,
For Zandu Realty Limited

Priyanka Mundhra

Priyanka Mundhra
Company Secretary
ACS 46331

Encl.: As above

98th
ANNUAL REPORT
2016 - 2017

zandu realty limited

Contents

Directors' Report	1
Management Discussion and Analysis Report	20
Report on Corporate Governance	22
Independent Auditor's Report	34
Balance Sheet	38
Statement of Profit & Loss	39
Cash Flow Statement	40
Notes to Financial Statements	41

Corporate Information

BOARD OF DIRECTORS

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

COMPANY SECRETARY

Ms. Priyanka Mundhra
(Appointed w.e.f. 3rd May, 2017)

STATUTORY AUDITORS

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

BANKERS

ICICI Bank Limited
RBL Bank Limited

REGISTERED OFFICE

Emami Tower, 2nd Floor
687, Anandapur, E.M. Bypass
Kolkata - 700 107
Phone: 033 66136264
E-mail: investors@emamirealty.com
Website: www.emamirealty.com
CIN: L24239WB1919PLC136397

CORPORATE OFFICE

Akash Tower, 3rd Floor
781, Anandapur, E. M. Bypass
Kolkata - 700107
Phone: 033 66251200
E-mail: investors@emamirealty.com

REGISTRAR AND TRANSFER AGENT

Maheshwari Datamatics Private Limited
23, R. N. Mukherjee Road, 5th Floor,
Kolkata - 700001
Phone: 033 22435029
Fax No: 033 22484787
Email: mdpldc@yahoo.com

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 98th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2017.

The performance of the Company for the year ended on 31st March, 2017 is summarised below: (₹ in Lakhs)

Particulars	2016-17	2015-16
Revenue from Operations	512.73	866.79
Other Income*	1,168.12	1,454.03
Total Revenue	1,680.85	2,320.82
Total Expenses	1,027.34	1,438.59
Profit Before Tax	653.51	882.23
Tax Expense		
- Current tax	133.45	172.20
- Earlier Year Income Tax (Net)	2.31	5.12
Profit for the period	517.75	704.91
Transfer to General Reserve	-	-
Profit Brought Forward from previous year	5,807.71	5,102.80
Net Surplus in the Statement of Profit & Loss	6,325.46	5,807.71

* Includes ₹ 412.40 Lakhs (Previous Year – ₹ 736.91 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 2017.

STATE OF COMPANY AFFAIRS

In respect of Company's Project, "Zandu Sigma Estate" at Dadar, Mumbai, the Company has received Occupancy Certificate ("OC") from Municipal Corporation of Greater Mumbai for Building 1B. With this, construction of the Project is complete, save and except that OC for 2 units in Building 2 is still to be obtained. The Company has been able to sell substantial number of Units in the Project.

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 has 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.

SUBSIDIARIES/ASSOCIATE/JOINT VENTURE

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the Notes to the Audited Financial Statements provided in this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions with Related Parties entered during the financial year by the Company were on an arms' length basis and in the ordinary course of business. The particulars of material contract or arrangements entered into by the Company with Related Parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 prescribed under the Companies (Accounts) Rules, 2014 is appended as **Annexure - 1** hereto and forms part of this Report.

A policy on 'Materiality of and Dealing with Related Party Transactions' have been 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.

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 have been appointed by the members at the Annual General Meeting held on 9th September, 2015 to hold office for a period of 5 years subject to ratification by members annually. Accordingly, appointment of M/s S. K. Agrawal & Co., Chartered Accountants, as Statutory Auditors of the Company is placed for ratification by the members. 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 Auditor's Report to the members 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 2017. The Secretarial Audit Report for the financial year ended 31st March 2017 is annexed herewith as **Annexure - 2**. The said Report does not contain any qualification.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. INDEPENDENT DIRECTORS:

a. Statement on declaration given by Independent Directors under sub-section (7) 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").

b. 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 Independent Directors 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.

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 ("KMP")

There is no change in the office of KMP during the financial year 2016-17.

MEETINGS OF BOARD OF DIRECTORS

During the financial year ended 31st March, 2017, 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 and the Listing Regulations.

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 10th February, 2017 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's 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 Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure - 3** 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.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing particulars of employees as required by the said Rules is provided in **Annexure - 3** of this Report. Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the corporate office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

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 Policy) Rules, 2014 is enclosed as **Annexure - 4** 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, 2017, 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 have 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; and
- (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, 2017 is presented in separate sections, forming part of this Report.

CFO CERTIFICATION

As required by Regulation 17(8) of the Listing Regulations, the 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 read with Guidance Note issued by SEBI, the Nomination and Remuneration Committee evaluated the performance of all Directors on criteria such as qualification, level of governance in meetings, preparedness for the meeting, experience, knowledge and competence, fulfilment of functions, ability to function as a team, initiative, availability and attendance, integrity, adherence to the code of conduct, etc. Independent Directors were additionally evaluated on criteria like independence of views and judgement and the Chairman of the Board was additionally evaluated on criteria like effectiveness of leadership and ability to steer the meeting, impartiality, commitment and ability to keep shareholders' interest in mind. The Independent Directors of the Company in their separate meeting, reviewed the performance of Non-Independent Directors, the Board as a whole and of the Chairperson of the Company.

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. The individual performance of all Directors (including the Independent Directors) was also carried out by the entire Board (excluding the Director being evaluated).

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 - 5** 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 behaviour, 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.php.

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.

The Risk Management Policy provides for identification of risk, its assessment and procedures to minimize risk. The policy is periodically reviewed to ensure that the executive management controls the risk as per decided policy.

EXTRACT OF THE ANNUAL RETURN

Extract of the Annual Return as on the financial year ended 31st March, 2017 in Form MGT-9 is annexed hereto as **Annexure - 6** 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

There is no 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, Company's Employees, 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
3rd May, 2017

Abhijit Datta
Chairman

Annexure to the Directors' Report

Annexure-1

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March 2017, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Emami Infrastructure Limited, Investing Entity to which the Company is an Associate	Service Charges Paid	Annual	Value ₹ 275.95 Lakhs	May 27, 2016	NIL

For and on behalf of the Board of Directors

Kolkata
3rd May, 2017

Abhijit Datta
Chairman

Annexure-2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[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, 2017 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, 2017, 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 the companies, the following laws/Acts are also, inter alia, specifically applicable to the Company:
 - (a) Development Control Regulations for Greater Mumbai, 1991
 - (b) Maharashtra Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963
 - (c) Transfer of Property Act, 1882

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 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 Director and Independent Directors. There has been no change in the composition of the Board of Directors of the Company during the period under review.
- 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 and 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 the Company has passed Special Resolutions at the Annual General Meeting of the Company held on 29th September, 2016 pursuant to the Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013.

This Report is to be read with our letter of even date which is annexed as Annexure - I which forms an integral part of this report.

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
[Partner]

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

Date: 3rd May, 2017

Place: Kolkata

To
The Members,
ZANDU REALTY LIMITED

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

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

For **MKB & Associates**
Company Secretaries

Manoj Kumar Banthia
[Partner]

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

Date: 3rd May, 2017

Place: Kolkata

Annexure-3

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 2016-17	% increase in Remuneration in the FY 2016-17
1	Mr. Sandeep Jhunjunwala, <i>Manager & CFO</i>	25.86	9.67
2	Mrs. Swetha Mukherjee, <i>Company Secretary</i>	3.99	—

- 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) and (viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Annexure-4

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 includes promotion and development of art and culture, promoting health-care and sanitation, promoting education. The projects 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 weblink: www.emamirealty.com/policy_zandu.php.

2. As on 31st March, 2017, the CSR Committee comprises of Mr. Abhijit Datta as the Chairman and Mr. Aditya Poddar and Mr. Sandeep Jhunjhunwala as other members.
3. Average Net Profits of the Company for the last 3 preceding financial years: ₹ 4,665.02 Lakhs
4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): ₹ 93.30 Lakhs
5. Details of CSR spent during the financial year:
- (a) **Total amount to be spent for the financial year:** ₹ 93.30 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* (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	143.00	143.00	258.00	IA- Anamika Kala Sangam Trust
2.	Promotion of Health	Promotion of Health	Kolkata, West Bengal	25.00	25.00	25.00	IA- Emami Foundation

* All the expenditures are Direct Expenditure and no Overheads.

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
3rd May, 2017

Abhijit Datta
Chairman, CSR Committee

Sandeep Jhunjhunwala
Manager & CFO

Annexure-5

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 Policy for 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.

Annexure-6

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	L24239WB1919PLC136397
ii)	Registration Date	10th December, 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	Registered Office: 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 Corporate Office: Akash Tower, 3rd Floor, 781 Anandapur, E. M. Bypass, Kolkata - 700 107 Phone: 033 6625 1200
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. 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001 Phone: +9133 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 01-04-2016)				No. of Shares held at the end of the year (As on 31-03-2017)				% Change During the Year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
(A)	Promoters									
(1)	Indian									
(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									
	Sub-total (A) (1)	2,86,329	-	2,86,329	35.51	2,86,329	-	2,86,329	35.51	-
(2)	Foreign									
(a)	NRIs -Individuals	-	-	-	-	-	-	-	-	-
(b)	Other – Individuals									
(c)	Bodies Corp.									
(d)	Banks / FI									
(e)	Any Other									
	Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2,86,329	-	2,86,329	35.51	2,86,329	-	2,86,329	35.51	-
(B)	Public Shareholding									
1	Institutions									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks / FI	3,073	172	3,245	0.40	2,999	172	3,171	0.39	(0.01)
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FIs	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	3,073	172	3,245	0.40	2,999	172	3,171	0.39	(0.01)
2	Non-Institutions									
(a)	Bodies Corp.									
(i)	Indian	81,747	163	81,910	10.16	93,205	163	93,368	11.58	1.42
(ii)	Overseas	-	-	-	-	-	-	-	-	-

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2016)				No. of Shares held at the end of the year (As on 31-03-2017)				% Change During the Year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	3,30,738	24,460	3,55,198	44.05	3,39,255	24,254	3,63,509	45.08	1.03
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	48,536	2,921	51,457	6.38	31,122	2,921	34,043	4.22	(2.16)
(c)	Any Other (specify)									
(c-i)	Clearing Member	11,835	–	11,835	1.47	4,400	–	4,400	0.54	(0.93)
(c-ii)	Non Resident individual	16,404	10	16,414	2.03	16,436	10	16,446	2.04	0.01
(c-iii)	NBFCs registered with RBI	12	–	12	0.00	5,134	–	5,134	0.64	0.64
	Sub-total (B)(2):-	4,89,272	27,554	5,16,826	64.09	4,89,552	27,348	5,16,900	64.10	0.01
	Total Public Shareholding (B)= (B)(1)+(B)(2)	4,92,345	27,726	5,20,071	64.49	4,92,551	27,520	5,20,071	64.49	0.00
(C)	Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
	Grand Total (A+B+C)	7,78,674	27,726	8,06,400	100.00	7,78,880	27,520	8,06,400	100.00	0.00

(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 Infrastructure Limited	2,86,329	35.51	–	2,86,329	35.51	–	–

(iii) Change in Promoters' Shareholding:

Sl.No.		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	01-04-2016				
		29,500	3.66	31-03-2017	No change	-	-	-
2	BPC TRADECOM PVT LTD *	-	-	01-04-2016				
				15-07-2016	1,000	Transfer	1,000	0.12
				22-07-2016	10,300	Transfer	11,300	1.40
				29-07-2016	7,700	Transfer	19,000	2.36
				05-08-2016	2,000	Transfer	21,000	2.60
		21,000	2.60	31-03-2017				
3	ANAND RATHI GLOBAL FINANCE LIMITED	10,930	1.36	01-04-2016				
				05-08-2016	1,924	Transfer	12,854	1.59
				23-09-2016	(1,000)	Transfer	11,854	1.47
				13-01-2017	1,000	Transfer	12,854	1.59
		12,854	1.59	31-03-2017				
4	SONIA AGGARWAL *	-	-	01-04-2016				
				03-02-2017	7,600	Transfer	7,600	0.94
		7,600	0.94	31-03-2017				
5	PRIPAN INVESTMENT PRIVATE LTD	6,498	0.81	01-04-2016				
		6,498	0.81	31-03-2017	No Change	-	-	-
6	RAJ YASHVANT KAPADIA	5,472	0.68	01-04-2016				
		5,472	0.68	31-03-2017	No Change	-	-	-
7	RAJEEV AGGARWAL HUF *	1,884	0.23	01-04-2016				
				30-09-2016	16	Transfer	1,900	0.24
				20-01-2017	3,429	Transfer	5,329	0.66
		5,329	0.66	31-03-2017				
8	MAMTA MAHENDRA PATEL	4,822	0.60	01-04-2016				
		4,822	0.60	31-03-2017	No Change	-	-	-
9	AJIT CHANDRARAJ	3,500	0.43	01-04-2016				
		3,500	0.43	31-03-2017	No change	-	-	-
10	MANOJ NANJI BHANUSHALI *	2,500	0.31	01-04-2016				
				17-06-2016	(400)	Transfer	2,100	0.26
				24-06-2016	(100)	Transfer	2,000	0.25
				25-11-2016	100	Transfer	2,100	0.26
				13-01-2017	(100)	Transfer	2,000	0.25
				24-03-2017	500	Transfer	2,500	0.31
		2,500	0.31	31-03-2017				
11	POONAM BATHWAL #	15,350	1.90	01-04-2016				
				15-07-2016	(5,000)	Transfer	10,350	1.28
				29-07-2016	(10,350)	Transfer	-	-
		-	-	31-03-2017				
12	RAJEEV AGGARWAL #	7,000	0.87	01-04-2016				
			0.04	20-05-2016	300	Transfer	7,300	0.91
			0.01	26-08-2016	(100)	Transfer	7,200	0.89
			0.00	21-10-2016	23	Transfer	7,223	0.90
			0.90	03-02-2017	(7,223)	Transfer	-	-
		-	-	31-03-2017				
13	MASTER NIKUNJ BATHWAL #	6,300	0.78	01-04-2016				
				22-07-2016	(6,300)	Transfer		
		-	-	31-03-2017				

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
14	GLOBE CAPITAL MARKET LIMITED #	3,048	0.38	01-04-2016				
				08-04-2016	(40)	Transfer	3,008	0.37
				15-04-2016	19	Transfer	3,027	0.38
				29-04-2016	(65)	Transfer	2,962	0.37
				06-05-2016	5	Transfer	2,967	0.37
				13-05-2016	1	Transfer	2,968	0.37
				20-05-2016	45	Transfer	3,013	0.37
				27-05-2016	1,468	Transfer	4,481	0.56
				03-06-2016	26	Transfer	4,507	0.56
				10-06-2016	80	Transfer	4,587	0.57
				17-06-2016	(50)	Transfer	4,537	0.56
				24-06-2016	(89)	Transfer	4,448	0.55
				30-06-2016	15	Transfer	4,463	0.55
				08-07-2016	(3)	Transfer	4,460	0.55
				15-07-2016	545	Transfer	5,005	0.62
				22-07-2016	(111)	Transfer	4,894	0.61
				29-07-2016	(10)	Transfer	4,884	0.61
				05-08-2016	(639)	Transfer	4,245	0.53
				12-08-2016	20	Transfer	4,265	0.53
				19-08-2016	1	Transfer	4,266	0.53
				26-08-2016	(12)	Transfer	4,254	0.53
				09-09-2016	(273)	Transfer	3,981	0.49
				16-09-2016	(12)	Transfer	3,969	0.49
				30-09-2016	(11)	Transfer	3,958	0.49
				07-10-2016	10	Transfer	3,968	0.49
				14-10-2016	20	Transfer	3,988	0.49
				21-10-2016	(931)	Transfer	3,057	0.38
				28-10-2016	50	Transfer	3,107	0.39
				04-11-2016	20	Transfer	3,127	0.39
				11-11-2016	(30)	Transfer	3,097	0.38
				18-11-2016	(15)	Transfer	3,082	0.38
				25-11-2016	(125)	Transfer	2,957	0.37
				02-12-2016	(72)	Transfer	2,885	0.36
				09-12-2016	(117)	Transfer	2,768	0.34
				16-12-2016	(5)	Transfer	2,763	0.34
				23-12-2016	(3)	Transfer	2,760	0.34
				30-12-2016	(1,500)	Transfer	1,260	0.16
				20-01-2017	(835)	Transfer	425	0.05
				27-01-2017	(12)	Transfer	413	0.05
				03-02-2017	50	Transfer	463	0.06
				17-02-2017	(24)	Transfer	439	0.05
				24-02-2017	1	Transfer	440	0.05
				10-03-2017	(10)	Transfer	430	0.05
				24-03-2017	10	Transfer	440	0.05
		428	0.05	31-03-2017	(12)	Transfer	428	0.05

*Not in the list of Top 10 shareholders as on 01/04/2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2017.

#Ceased to be in the list of Top 10 shareholders as on 31/03/2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2016.

(v) Shareholding of directors and Key Managerial Personnel:

Sl No.	Name	Shareholding as on 1.04.2016		Shareholding as on 31.03.2017	
		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 Shareholding 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 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
Indebtedness at the beginning of the financial year:				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+III)	-	-	-	-
Change in Indebtedness during the financial year:				
- Addition	1,500.00	-	-	1,500.00
- Reduction	359.76	-	-	359.76
Net Change	1,140.24	-	-	1,140.24
Indebtedness at the end of the financial year:				
i) Principal amount	1,140.24	-	-	1,140.24
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+III)	1,140.24	-	-	1,140.24

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 Jhunjunwala (Manager & CFO)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25.86	25.86
	(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	-	-
	Total (A)	25.86	25.86
	Ceiling as per the Act	₹ 32.68 Lakhs (5% of Net Profit as per Section 198 of the Companies Act, 2013)	

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	Aditya Poddar	
1	Independent Directors					
	Fee for attending board / committee Meetings	0.50	1.08	0.80	0.47	2.85
	Commission	-	-	-	-	-
	Others, please specify					
	Total (1)	0.50	1.08	0.80	0.47	2.85
2	Other Non-Executive Directors					
	Fee for attending board / committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
4	Total (2)	-	-	-	-	-
5	Total (B)=(1+2)	0.50	1.08	0.80	0.47	2.85
	Total Managerial Remuneration (A+B)					28.72
	Overall Ceiling as per the Act*					-

* 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	
		Mrs. Swetha Mukherjee (Company Secretary)	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.99	3.99
	(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	-	-
	Total	3.99	3.99

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, 2017.

Management Discussion and Analysis Report

Industry Structure and Developments

The year 2016-17 has been transformative and disruptive for the Real Estate sector. This year the sector has witnessed major policy changes in the form of implementation of The Real Estate (Regulation & Development) Act, 2016 where 69 out of 92 sections of the Act were notified on 26th April, 2016 which came into force from 1st May 2016 and remaining 23 sections were notified on 19th April, 2017 which came into force from 1st May, 2017. Secondly, GST enactment will also usher some benefits to the Developer as well as the buyers.

In the wake of the setback suffered due to demonetization of Indian currency notes of INR 500 and INR 1000 announced by the Union Government in November 2016, the Finance Minister in his budget speech has made some key announcements in an attempt to address the challenges in the real estate sector, through the proposals announced in the Union Budget 2017-18, with focus on providing thrust to affordable housing and infrastructure. Some of the key announcements made for real estate and construction include:

- granting an infrastructure status to affordable housing projects, which has been a long standing demand of the supply side stakeholders;
- highest ever allocation to the infrastructure development (INR 3.96 Lakh Crore)
- relaxation in area requirements and time period for the completion of a project;
- reduction in holding period to 24 months from 36 months for long-term capital gains tax on immovable properties.

These announcements would benefit the government in achieving the vision of 'Housing for All' by 2022 and improve urban as well as rural infrastructure by attracting higher involvement from private sector developers and domestic as well as foreign investors.

The announcements made in the Union Budget, coupled with policy reforms undertaken such as RERA and GST Law earlier this fiscal are expected to lead to higher investments in the sector, especially in the affordable housing segment.

Opportunities

Various initiatives are being taken by the government for the growth of this industry. Currently, the residential property market is dominated by end-users - speculative investors are making a beeline out of real estate as an investment category. Residential demand is expected to pick up only towards the end of 2017 but the recovery will be sustainable and based on much sounder market fundamentals than transient sentiment.

Technologies are being used for the promotion of low cost and affordable housing construction development in residential segment.

Threats and Challenges

Multiple approval authorities and processes lead to project delays during various stages. Simplifying the approval process will lead to fewer time and cost overruns and better products and services for customers. The construction processes in India are highly labour-intensive. Low cost/ affordable housing concept is fully dependable on new technologies to make it cost effective and any delay therein will be a challenge for growth.

Discussion on Financial Performance with respect to Operational Performance and Outlook

In respect of Company's Project, "Zandu Sigma Estate" at Dadar, Mumbai, the Company has received Occupancy Certificate ("OC") from Municipal Corporation of Greater Mumbai for Building 1B. With this, construction of the Project is complete, save and except that OC for 2 units in Building 2 is still to be obtained. The Company has been able to sell substantial number of Units in the Project.

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

Risks and Concerns

The real estate sector in India has traditionally been an unorganised sector of the economy. However, over the past few years, the sector has received a lot of attention from the government leading to increased regulatory norms. As a result, it has metamorphosed from being largely fragmented and unorganised to a structured and organised one like its

peers in developed economies. This real estate market is inherently a cyclical market and is affected by macroeconomic conditions, risk related to fluctuating input, changes in applicable governmental schemes, reforms, policies, changes in supply and demand for projects, availability of consumer financing and liquidity, availability of labour and the skill of the employees. 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, in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board, as on 31st March, 2017, 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

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 13th May, 2016, 27th May, 2016, 11th August, 2016, 9th November, 2016 and 10th February, 2017. 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, 2017 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	8	3
Mrs. Karabi Sengupta	5	5	Yes	1	-
Mr. Aditya Poddar	5	2	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 the 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/she 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 weblink: 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, 2017, the Committee consists of 4 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	Mrs. Karabi Sengputa	Non-Executive Independent	Member
3	Mr. Aditya Poddar	Non-Executive Independent	Member
4	Mr. Sandeep Jhunjhunwala	Manager & CFO	Member

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 29th September, 2016.

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
- 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 2017, Audit Committee met 4 times on 26th May, 2016, 11th August, 2016, 9th November, 2016 and 10th February, 2017

The details of 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
Mrs. Karabi Sengupta	4	4
Mr. Aditya Poddar	4	1
Mr. Sandeep Jhunjhunwala	4	4

Nomination and Remuneration Committee

As on 31st March, 2017, 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; and
- 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, 1 meeting was held on 26th May, 2016 wherein all the members of the Committee were present, except for Mr. Aditya Poddar who was granted leave of absence.

Performance evaluation criteria for Independent Directors

During the year under review, the performance of the Independent Directors were evaluated on parameters such as, qualification, level of governance in meetings, preparedness for the meeting, experience, knowledge and competence, fulfilment of functions, ability to function as a team, initiative, availability and attendance, integrity, adherence to the code of conduct, independence of views and judgement, safeguarding interest of whistle-blowers under vigil mechanism, etc.

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 - 5** 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 2016-17 and their shareholding in the Company are as follows:

Name of the Directors	Sitting Fees (₹)	No. of shares held as on 31st March, 2017
Mr. Abhijit Datta	50,000	NIL
Mr. Hari Mohan Marda	1,07,500	NIL
Mrs. Karabi Sengupta	80,000	NIL
Mr. Aditya Poddar	47,500	NIL

No commission was paid to Directors during the year ended 31st March 2017.

- b) Details of remuneration paid to Mr. Sandeep Jhunjunwala as Manager & CFO, for the financial year 2016-17 are as under:

	Amount in ₹
Basic Salary	22,33,200
Ex-Gratia	2,20,000
Bonus	8,400
Benefits Paid	1,25,000
TOTAL	25,86,600

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 2017, 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, 3 meetings were held on 7th January, 2017, 3rd March, 2017 and 29th March, 2017. 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	3	3
Mr. Aditya Poddar	3	2
Mr. Sandeep Jhunjunwala	3	3

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

Ms. Priyanka Mundhra has been appointed as the Company Secretary and the Compliance Officer of the Company with effect from 3rd May, 2017.

The contact information of the Compliance Officer of the Company is as under:

Name & designation	Ms. Priyanka Mundhra
Address	"Akash Tower", 3 rd Floor, 781, Anandapur, E. M. Bypass, Kolkata-700107
Contact	033 6625 1229
Email	priyanka.mundhra@emamirealty.com

Mrs. Swetha Mukherjee has resigned from the office of Company Secretary w.e.f. close of business hours on 2nd May, 2017.

Corporate Social Responsibility Committee

As on 31st March, 2017, 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, 2 meetings were held on 26th May, 2016 and 19th September, 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. Abhijit Datta	2	2
Mr. Aditya Poddar	2	1
Mr. Sandeep Jhunjunwala	2	2

Business Re-organization/Restructuring Committee

As on 31st March 2017, 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 10th February, 2017, inter-alia, to discuss:

- a) Evaluation of the Performance of the Non-Independent Directors and Board of Directors as a whole;
- b) 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 except for Mr. Aditya Poddar who was granted leave of absence.

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 resolutions passed
2015-16	29th September, 2016 at 11.00 A.M.	1) Approval for payment of revised remuneration to Mr. Sandeep Jhunjunwala, Director, Manager & CFO upto the remaining period of his tenure. 2) Authority to the Board to borrow upto ₹ 500 Crores under Section 180(1)(c) of the Companies Act, 2013. 3) Authority to the Board to create charge/ mortgage on the assets/ properties of the Company under Section 180(1)(a) of the Companies Act, 2013.
2014-15	9th September, 2015 at 3.15 P.M.	Appointment of Mr. Sandeep Jhunjunwala, 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	5th September, 2014 at 3.15 P.M.	1) Authority to the Board to borrow upto Rs. 200 Crores under Section 180(1)(c) of the Companies Act, 2013; 2) Authority to the Board to make investment upto Rs. 225 Crores under Section 186 of the Companies Act, 2013.

- B) No extra-ordinary general meeting of the shareholders was held during the year.
- C) Special Resolution was passed during the Financial Year ended 31st March, 2017 through Postal Ballot under Sections 186 of the Companies Act, 2013, for obtaining approval to make loans, investments, give guarantee or provide security in connection with loan, for maximum aggregate amount not exceeding ₹ 300 Crores at any time.

The Postal ballot was conducted in accordance with the provisions of Listing Regulations, 2015 and the Companies Act, 2013. The Company had offered e-voting facility, through Central Depository Services (India) Limited as an alternate, to enable the shareholder to cast their votes electronically.

The Board had appointed Mr. Manoj Kumar Banthia, Practising Company Secretary as the Scrutinizer to conduct the Postal Ballot & E-voting process in a fair and transparent manner.

Details of Voting Pattern

Date of passing of Resolution	Purpose	Vote in favour of the resolution		Votes against the resolution	
		Number of Total Valid Votes Cast	% of Total Valid Votes Cast	Number of Total Valid Votes Cast	% of Total Valid Votes Cast
3rd October, 2016	Approval under Section 186 of the Companies Act, 2013 to make loans, investments, give guarantee or provide security in connection with loan, for maximum aggregate amount not exceeding ₹ 300 Crores at any time	3,51,195	99.99%	43	0.01%

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" and "Ek Din". The same are also submitted to the Stock Exchanges.
- News, Releases etc.: The Company has a website 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

Date	21st September, 2017
Time	12.00 Noon
Venue	Emami Tower, 687 Anandapur, E. M. Bypass, Kolkata 700 107

ii. Financial Calendar

Financial year - 1st April, 2017 to 31st March, 2018

Financial Reporting for the Year 2017-18 :

Particulars	Quarter/ year ending	Tentative Schedule*
Unaudited Financial Results (1st Quarter)	Q.E. 30.06.2017	On or before 14th September, 2017
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2017	On or before 14th December, 2017
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2017	On or before 14th February, 2018
Audited Financial Results (4th Quarter/Annual)	Y.E. 31.03.2018	On or before 30th May, 2018

**tentative and subject to change*

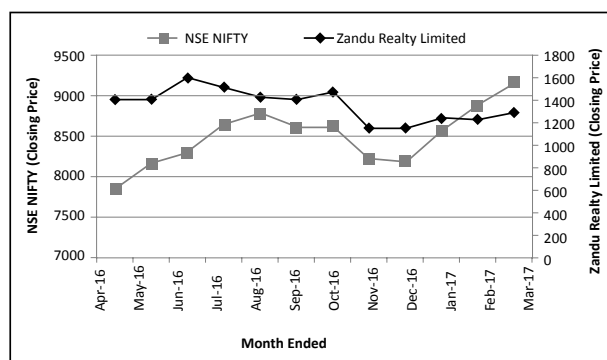
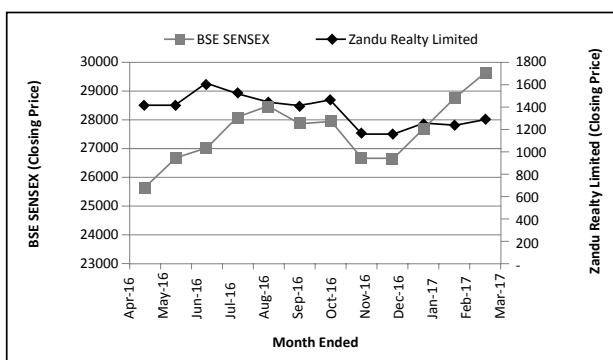
iii. Book closure Dates	15th September, 2017 to 21st September, 2017 (Both days inclusive)
iv. Dividend Payment Date	Not Applicable
v. Listing on Stock Exchanges:	BSE Limited (BSE) National Stock Exchange of India Ltd. (NSE)
The listing fees for financial year 2017-18 to BSE & NSE have been paid.	
vi. Stock Code	Trading symbol BSE - 506720 NSE - ZANDUREALT
Demat ISIN No.	ISIN No.: INE719A01017
Corporate Identity No.	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	Close	High	Low	Close
April, 2016	1,488.00	1,330.00	1,412.00	1,486.70	1,330.00	1,406.95
May, 2016	1,545.50	1,374.00	1,408.40	1,544.00	1,370.00	1,410.05
June, 2016	1,670.00	1,405.25	1,600.60	1,673.60	1,406.15	1,602.65
July, 2016	1,633.30	1,520.00	1,525.25	1,635.00	1,512.10	1,519.75
August, 2016	1,535.80	1,401.00	1,431.50	1,540.00	1,400.00	1,429.30
September, 2016	1,510.00	1,390.00	1,404.10	1,515.15	1,365.00	1,409.20
October, 2016	1,595.65	1,365.50	1,462.40	1,599.80	1,411.00	1,473.05
November, 2016	1,475.00	1,030.20	1,161.10	1,480.00	1,037.15	1,151.25
December, 2016	1,220.00	1,089.75	1,154.70	1,220.00	1,089.80	1,153.45
January, 2017	1,355.55	1,148.00	1,244.85	1,355.00	1,160.00	1,237.60
February, 2017	1,335.00	1,220.00	1,237.95	1,332.00	1,216.00	1,230.40
March, 2017	1,329.00	1,186.60	1,288.35	1,332.50	1,216.00	1,291.00

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.

23, R. N. Mukherjee Road, 5th 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 2017

a. Distribution of Shareholding:

No. of Shares held	No. of Holders	% age	No. of Shares	% age
Upto 500	25,016	99.64	3,57,496	44.33
501 to 1000	62	0.25	41,804	5.18
1001 to 2000	14	0.05	19,322	2.40
2001 to 3000	4	0.02	9,700	1.20
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	24,899	3.09
Above 10000	4	0.02	3,45,179	42.81
Total	25,106	100.00	8,06,400	100.00

b. Shareholding Pattern:

Sl. No.	Description	No. of Shares	Percentage of Capital
I.	Promoter and Promoter group	2,86,329	35.51
II.	Public Shareholding		
1.	Institutions:		
	(a) Financial Institutions/Banks	3,171	0.39
2.	Non-Institutions:		
	(a) Bodies Corporate	93,368	11.58
	(b) NBFCs registered with RBI	5,134	0.64
	(c) Individuals	3,97,552	49.30
	(d) Non Resident Individual	16,446	2.04
	(e) Clearing Member	4,400	0.54
	Sub-total	5,20,071	64.49
	Total [(I) +(II)]	8,06,400	100.00

xii. Dematerialization of shares and liquidity:

As on 31st March 2017, 7,78,880 shares of the Company, aggregating to 96.59% 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 interests 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 weblink: 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.

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, 2017.

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.

CFO CERTIFICATION

To
Board of Directors
Zandu Realty Limited

1. I have reviewed the financial statements and the cash flow statement of Zandu Realty Limited for the year ended March 31, 2017 and that to the best of my knowledge and belief, I 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 my 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. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and necessary steps have been taken to rectify these deficiencies.
4. I 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 I 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**

3rd May, 2017
Kolkata

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 2016-17.

For **Zandu Realty Limited**

3rd May, 2017
Kolkata

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, 2017 as referred to in Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examinations 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 Regulations.

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: 3rd May, 2017

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, 2017, 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, 2017, 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”), 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, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and
- (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 29 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There is no such sum which is, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

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

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

Place: Kolkata

Date: 3rd May, 2017

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 2017. 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 given to us, no material discrepancies were noticed on physical verification.
- (iii) The Company has granted unsecured loans to companies 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 such loans has been granted are not, prima facie, prejudicial to the interest of the Company.
 - b) In case of such loans, the borrowers have been regular in the repayment of the principal and interest as stipulated.
 - c) There are no overdue amounts in respect of the loan granted to such companies.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loans and investments made.
- (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.

Annexure A to the Independent Auditor's Report

- (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, 2017 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 Lakhs)	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	50.66	2013-14	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 of the Act where applicable 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. Accordingly, the provisions of clause 3(xiv) of the Order is not applicable to the Company.
- (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: 3rd May, 2017

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, 2017 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 stated in the Guidance note on Audit of internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essentials components of internal Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Kolkata
Date: 3rd May, 2017

Balance Sheet as at 31st March, 2017

(₹ in Lakhs)

	Note	As at 31st March, 2017		As at 31st March, 2016	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	806.40		806.40	
Reserves and Surplus	3	18,942.24	19,748.64	18,836.89	19,643.29
Non - Current Liabilities					
Long - Term Provisions	4		5.32		4.62
Current Liabilities					
Short - Term Borrowing	5	1,140.24		-	
Other Current Liabilities	6	38.49		97.66	
Short - Term Provisions	7	0.17	1,178.90	0.17	97.83
TOTAL			20,932.86		19,745.74
ASSETS					
Non - Current Assets					
Non - Current Investments	8	18,236.60		12,720.60	
Long - Term Loans and Advances	9	0.36	18,236.96	3,130.00	15,850.60
Current Assets					
Current Investments	10	-		1,288.00	
Inventories	11	991.72		1,414.26	
Trade Receivable	12	-		315.34	
Cash and Bank Balances	13	6.42		3.65	
Short - Term Loans and Advances	14	1,697.76	2,695.90	873.89	3,895.14
TOTAL			20,932.86		19,745.74
Summary of Significant Accounting Policies and Notes to Accounts	1 to 31				

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: 3rd May, 2017

For and on behalf of the Board of Directors

Abhijit Datta

Chairman

Aditya Poddar

Director

Hari Mohan Marda

Director

Sandeep Jhunjunwala

Manager & CFO

Karabi Sengupta

Director

Priyanka Mundhra

Company Secretary

Statement of Profit & Loss for the year ended 31st March, 2017

(₹ in Lakhs)

Particulars	Note	2016-17	2015-16
INCOME			
Revenue from Operation	15	512.73	866.79
Other Income	16	1,168.12	1,454.03
Total Revenue (I)		1,680.85	2,320.82
EXPENSES			
(Increase)/Decrease in Inventories	17	422.54	755.04
Employee Benefits Expense	18	30.61	30.26
Finance Cost	19	142.36	231.84
Other Expenses	20	431.83	421.45
Total Expenses (II)		1,027.34	1,438.59
Profit before tax (I-II)		653.51	882.23
Tax Expenses			
Current Tax		133.45	172.20
Income Tax for Earlier Year		2.31	5.12
Profit for the period		517.75	704.91
Earnings per equity share of face value of ₹ 100/- each			
Basic & Diluted	21	64.20	87.41
Summary of Significant Accounting Policies and Notes to Accounts	1 to 31		

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: 3rd May, 2017

Abhijit Datta

Chairman

Aditya Poddar

Director

Hari Mohan Marda

Director

Sandeep Jhunjunwala

Manager & CFO

Karabi Sengupta

Director

Priyanka Mundhra

Company Secretary

For and on behalf of the Board of Directors

Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lakhs)

	2016-17	2015-16
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	653.51	882.23
Adjustments for:		
Dividend on Long-Term Investments	(102.50)	(95.79)
Interest on Loan Given	(611.69)	(607.03)
Interest Expenses	134.43	190.09
Proportionate transfer from Revaluation Reserve	(412.40)	(736.91)
Operating Profit before Working Capital Changes	(338.65)	(367.41)
Adjustments for:		
Long-Term Provisions	0.70	4.62
Other Current Liabilities	(59.16)	38.70
Short-Term Provisions	(0.01)	0.17
Inventories	422.54	755.04
Trade Receivable	315.34	20.32
Long-Term Loans and Advances	6.84	–
Short-Term Loans and Advances	383.05	(576.27)
Cash Generated from Operations	730.65	(124.83)
Direct Taxes paid	(135.76)	(177.32)
Net Cash Flow from Operating Activities (A)	594.89	(302.15)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Long-Term Investments	(6,716.00)	–
Redemption of Long-Term Investments	1,200.00	800.00
Purchase of Short-Term Investments	–	(1,288.00)
Redemption of Short-Term Investments	1,288.00	–
Dividend on Long-Term Investments	102.50	95.79
Loans Given to Corporate Bodies	(10,535.00)	(633.00)
Realisation of Loans Given from Corporate Bodies	12,258.00	4,384.00
Interest Received	804.57	301.19
Net Cash Flow from Investing Activities (B)	(1,597.93)	3,659.98
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-Term Borrowings	1,432.24	–
Repayment of Short-Term Borrowings	(292.00)	(3,500.00)
Interest Paid	(134.43)	(190.09)
Net cash flow from Financing Activities (C)	1,005.81	(3,690.09)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	2.77	(332.26)
Cash and Cash Equivalents at the beginning of the year *	3.65	335.91
Cash and Cash Equivalents at the end of the year *	6.42	3.65

* 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: 3rd May, 2017

Abhijit Datta

Chairman

Aditya Poddar

Director

Hari Mohan Marda

Director

Sandeep Jhunjunwala

Manager & CFO

Karabi Sengupta

Director

Priyanka Mundhra

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 by the Company.

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. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

IV. 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.

V. 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. Intangible Assets are amortized over a period of five years.

VI. 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.

VII. Inventories

Inventories are valued at lower of cost and net realisable value. Work-in-Progress is valued of construction works certified by the Management.

VIII. Revenue Recognition

Revenues are recognised in accordance with the guiding principles of Accounting Standard - 9 as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014.

IX. 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.

X. 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.

XI. Taxation

Income Tax expense comprises of current tax and deferred taxes. Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" which includes current tax and deferred taxes. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences for earlier years. Deferred tax assets arising from timing differences are recognised to the extent, there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

XII. 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.

XIII. Impairment of Assets

The Company identifies impairable assets at the year end in accordance with the guiding principles of Accounting Standard 28, notified in Section 133 of the Companies Act, 2013 ('the Act') read with the Rule 7 of the Companies (Accounts) Rules 2014, 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.

XIV. 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.

XV. 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.

XVI. 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.

(₹ in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016
Note 2	SHARE CAPITAL		
	Authorized Shares		
	20,00,000 Equity Shares of ₹100/- each	2,000.00	2,000.00
	Issued, subscribed & fully paid-up shares		
	8,06,400 Equity Shares of ₹100/- each	806.40	806.40
		806.40	806.40

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

Equity Shares	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares	(₹ in Lakhs)	No. of shares	(₹ in Lakhs)
At the beginning of the period	8,06,400	806.40	8,06,400	806.40
Issued during the period	–	–	–	–
Outstanding at the end of the period	8,06,400	806.40	8,06,400	806.40

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, 2017		As at 31st March, 2016	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Emami Infrastructure Limited, Investing Entity to which the Company is an Associate*	2,86,329	35.51%	2,86,329	35.51%

* Erstwhile Investing Entity Emami Rainbow Niketan Private Limited stands amalgamated with Emami Infrastructure Limited w.e.f. 1st April, 2015 pursuant to the Order of the Hon'ble High Court at Calcutta dated 14th June, 2016 being effective from 22nd July, 2016.

(₹ in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016
Note 3	RESERVES & SURPLUS		
	Revaluation Reserve		
	At the beginning of the year	1,380.30	2,117.21
	Less: Amount transferred to Statement of Profit & Loss	412.40	736.91
	Closing Balance	967.90	1,380.30
	General Reserve	11,648.88	11,648.88
	Surplus in the Statement of Profit and Loss		
	At the beginning of the year	5,807.71	5,102.80
	Add: Surplus transferred from Statement of Profit & Loss	517.75	704.91
	Net surplus in the Statement of Profit & Loss	6,325.46	5,807.71
	Total Reserves and Surplus	18,942.24	18,836.89

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Note 4 LONG - TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 22)		
Gratuity	2.37	1.67
Leave Encashment	2.95	2.95
	5.32	4.62
Note 5 SHORT - TERM BORROWING		
Secured		
Overdraft Facility from Bank (Refer Note No. 26)	1,140.24	–
	1,140.24	–
Note 6 OTHER CURRENT LIABILITIES		
Liabilities for Expenses	5.60	74.56
Other Payables*	32.89	23.10
	38.49	97.66
<i>* Includes statutory dues and accrued employee benefits</i>		
Note 7 SHORT - TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 22)		
Gratuity	0.01	0.01
Leave Encashment	0.16	0.16
	0.17	0.17
Note 8 NON - CURRENT INVESTMENTS		
<i>(Long-Term Investment)</i>		
A. TRADE INVESTMENTS		
i. Investments in Debentures - Unquoted fully paid up		
Emami Buildcon Private Limited * 5 (29) Optionally Fully Convertible Debentures of ₹50,00,000/- each	250.00	1,450.00
Emami Estates Private Limited * 25 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	2,500.00	2,500.00
Emami Home Private Limited * 30 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	3,000.00	3,000.00
	5,750.00	6,950.00

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
B. OTHER INVESTMENTS		
i. Investments in Equity Instruments - Unquoted fully paid up		
The North Kanara G.S.B. Co-Operative Bank Limited 5,000 Equity Shares of ₹10/- each	0.50	0.50
The Saraswat Co-op. Bank Limited 1,000 Equity Shares of ₹10/- each	0.10	0.10
Emami Agrotech Limited 10,00,000 Equity Shares of ₹10/- each	650.00	650.00
Natural Synergies Limited 4,16,750 Equity Shares of ₹10/- each	41.68	41.68
	692.28	692.28
Less: Provision for Diminution in value of Investments	41.68	41.68
	650.60	650.60
ii. Investments in Preference Shares - Unquoted fully paid up		
Emami Paper Mills Limited # 12,80,000 8% Cumulative Redeemable Non-convertible Preference Shares of ₹100/- each	5,120.00	5,120.00
	5,120.00	5,120.00
iii. Investments in Debentures - Unquoted fully paid up		
Vijaybhan Investments and Consultancy Private Limited \$ 6,716 (Nil) 9% Optionally Convertible Non-Transferable Debentures of ₹1,00,000/- each	6,716.00	–
	6,716.00	–
	18,236.60	12,720.60
Aggregated amount of unquoted investments	18,236.60	12,720.60

* These Debentures are redeemable at par or premium at the end of five years from the date of allotment, being 30th January, 2013 (Emami Buildcon Private Limited), 22nd January, 2013 (Emami Estates Private Limited) and 7th March, 2013 (Emami Home Private Limited). 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.

\$ 6,716 Debentures are convertible into equity shares at the option of the Debenture Holders, out of which 25 Nos. on 30th September, 2019 and 6,691 Nos. on 31st December, 2019.

	As at 31st March, 2017	As at 31st March, 2016
Note 9 LONG-TERM LOANS AND ADVANCES		
<i>(Unsecured, considered good)</i>		
Security Deposit	0.36	7.20
Loans to Related Party (Refer Note 23)	–	3,122.80
	0.36	3,130.00

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016
Note 10		
CURRENT INVESTMENTS		
<i>(Short-Term Investment)</i>		
Trade Investments		
i. Investments in Debentures - Unquoted fully paid up	–	1,288.00
Vijaybhan Investments and Consultancy Private Limited Nil (1,28,800) 9% Redeemable Non Convertible Debentures of ₹ 1,000/- each		
	–	1,288.00
Aggregated amount of unquoted investments	–	1,288.00
Note 11		
INVENTORIES		
Land under Development	–	1,331.14
Finished Goods	991.72	83.12
	991.72	1,414.26
Note 12		
TRADE RECEIVABLE		
<i>(Secured, considered good)</i>		
Others		
More than six months	–	99.41
Less than six months	–	215.93
	–	315.34
Note 13		
CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances with banks	5.85	3.43
Cash in hand	0.57	0.22
	6.42	3.65
Note 14		
SHORT - TERM LOANS AND ADVANCES		
<i>(Unsecured considered good)</i>		
Security Deposit	0.15	–
Loans to Related Parties (Refer Note 23)	1,206.92	–
Advance Income Taxes (Net of provisions)	4.79	145.82
Debenture Application Money	–	470.00
Service Tax Credit Receivable	127.81	95.53
Income Tax Refundable	98.69	98.69
Interest Receivable on Debentures	250.51	54.53
Other Receivable	7.94	9.32
Prepaid Expenses	0.95	–
	1,697.76	873.89

(₹ in Lakhs)

	2016-17	2015-16
Note 15 REVENUE FROM OPERATION		
Sale of Property (Refer Note 27)	512.40	866.55
Other Operating Income		
Legal Fees Received	0.33	0.24
	512.73	866.79
Note 16 OTHER INCOME		
Interest Income		
Loan Given	333.34	546.44
Debentures	278.34	60.59
Income Tax Refund	15.56	–
Dividend from Long -Term Investments	102.50	95.79
Commission	6.95	6.63
Recovery of Bad Debts	16.50	4.50
Unpaid Liabilities and unclaimed balances written back	0.73	–
Miscellaneous Receipts	1.80	3.17
Proportionate transfer from Revaluation Reserve (Refer Note 27)	412.40	736.91
	1,168.12	1,454.03
Note 17 (INCREASE)/DECREASE IN INVENTORIES		
I. Opening Stock		
Land under Development	1,331.14	1,580.51
Finished Goods	83.12	588.79
	1,414.26	2,169.30
II. Closing Stock		
Land under Development	–	1,331.14
Finished Goods	991.72	83.12
	991.72	1,414.26
Net (Increase) / Decrease (I-II)	422.54	755.04
Note 18 EMPLOYEE BENEFITS EXPENSE		
Salaries, Gratuity & Allowances	30.50	30.26
Staff Welfare Expenses	0.11	–
	30.61	30.26
Note 19 FINANCE COST		
Interest Expenses	134.43	190.09
Other Borrowing Cost	7.93	41.75
	142.36	231.84

(₹ in Lakhs)

		2016-17	2015-16
Note 20	OTHER EXPENSES		
	Advertisement & Publicity	0.72	0.90
	Electricity Charges	3.70	4.18
	Rent	1.32	15.02
	Repair to Others	0.60	9.85
	Rates & Taxes	0.28	0.48
	Legal & Professional Fees	44.74	56.03
	Directors' Sitting Fees (Refer Note 23)	2.87	3.30
	Brokerage	–	14.00
	Travelling & Conveyance	3.69	4.56
	Corporate Social Responsibility (Refer Note 24)	168.00	115.00
	Service Charges	180.90	180.31
	Miscellaneous Expenses	17.42	15.78
	Auditors' Remuneration (Refer Note No. 25)	7.59	2.04
		431.83	421.45

Note 21	EARNINGS PER SHARE (EPS)		
	Earnings per Share is calculated as follows :		
	Net Profit after tax attributable to Equity Shareholders	517.75	704.91
	Weighted average number of equity shares Basic and Diluted	8,06,400	8,06,400
	Nominal value of equity share	100	100
	Basic and Diluted Earnings per share	64.20	87.41

Note 22 DEFINED BENEFIT PLANS

As per Actuarial Valuations as on 31st March, 2017 and recognized in the financial statement in respect of Employee benefit schemes

(₹ in Lakhs)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
A. Components of Employer Expenses				
1. Current Service Cost	0.58	0.02	1.68	3.12
2. Interest Cost	0.15	0.23	–	–
3. Expected Return on plan assets	–	–	–	–
4. Actuarial Gain/Loss	(0.03)	(0.26)	–	–
5. Total Expenses recognized in the Statement of Profit and Loss	0.70	(0.01)	1.68	3.12

(₹ in Lakhs)

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
B. Net asset/(liability) recognized in balance sheet as at 31st March, 2017				
1. Present value of Defined Benefits Obligation	2.37	3.11	1.68	3.12
2. Fair Value of Plan Assets	–	–	–	–
3. Funded Status [Surplus/(deficit)]	(2.37)	(3.11)	(1.68)	(3.12)
4. Net asset/(liability) recognized in balance sheet	(2.37)	(3.11)	(1.68)	(3.12)
C. Change in Defined Benefit Obligation during the year ended 31st March, 2017				
1. Present value of DBO at beginning of period	1.68	3.12	–	–
2. Current Service Cost	0.58	0.02	1.68	3.12
3. Interest Cost	0.15	0.23	–	–
4. Actuarial Gain/Loss	(0.03)	(0.26)	–	–
5. Benefits Paid	–	–	–	–
6. Present value of DBO at the end of period	2.37	3.11	1.68	3.12
D. Change in Fair Value of Assets				
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	–	–	–	–
E. Actuarial Assumptions				
1. Discount Rate	7.50%	7.50%	8.00%	8.00%
2. Inflation Rate	6.00%	6.00%	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

Investing Entity to which the Company is an Associate

ii) Key Management Personnel & Other Directors :

a) Key Management Personnel

1. Mr. Sandeep Jhunjhunwala

Director, Manager & CFO

2. Mrs. Swetha Mukherjee (w.e.f. 10.10.2015)

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) Enterprises where the Company's promoters have significant influence :

1. AMRI Hospitals Limited
2. Aviro Vyapaar Private Limited
3. Bhanu Vyapaar Private Limited
4. Emami Buildcon Private Limited
5. Emami Limited
6. Emami Paper Mills Limited
7. Emami Estates Private Limited
8. Emami Home Private Limited
9. Emami Agrotech Limited
10. Fastgrow Crops Private Limited
11. Anamika Kala Sangam Trust
12. Emami Foundation

iv) Transactions during the year with related Parties :

(₹ in Lakhs)

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	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Service Charges Paid	275.95	180.31	-	-	-	-	275.95	180.31
Remuneration Paid	-	-	29.85	25.46	-	-	29.85	25.46
Sitting Fees	-	-	2.85	3.30	-	-	2.85	3.30
Loan Given	8,835.00	-	-	-	1,700.00	633.00	10,535.00	633.00
Realisation of Loan Given	7,927.00	-	-	-	4,331.00	4,384.00	12,258.00	4,384.00
Interest Received	14.82	-	-	-	511.40	240.60	526.22	240.60
Loan Taken	292.00	-	-	-	-	-	292.00	-
Refund of Loan Taken	292.00	-	-	-	-	-	292.00	-
Interest Paid	1.21	-	-	-	-	-	1.21	-
Advance Received	-	-	-	-	1,200.00	-	1,200.00	-
Refund of Advance Received	-	-	-	-	1,200.00	-	1,200.00	-
Security Deposit	-	-	-	-	0.36	-	0.36	-
Refund of Security Deposit	-	-	-	-	7.20	-	7.20	-
Rent Paid	-	-	-	-	0.83	14.42	0.83	14.42
Maintenance Paid	-	-	-	-	0.55	9.62	0.55	9.62
Electricity Charges Paid	-	-	-	-	0.47	3.06	0.47	3.06
Guarantee Commission Paid	-	-	-	-	1.54	1.75	1.54	1.75
Commission Received	-	-	-	-	7.99	6.63	7.99	6.63
Corporate Social Responsibility	-	-	-	-	168.00	115.00	168.00	115.00
Dividend Received	-	-	-	-	102.40	95.72	102.40	95.72

(₹ in Lakhs)

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	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Reimbursement Expenses Received	-	-	-	-	2.07	1.80	2.07	1.80
Reimbursement Expenses Paid	26.72	166.75	-	-	0.11	-	26.83	166.75
Redemption of Debentures	-	-	-	-	1,200.00	800.00	1,200.00	800.00
Deposit Received	-	1.00	-	-	-	-	-	1.00
Refund of Deposit Received	-	1.00	-	-	-	-	-	1.00
Corporate Guarantee	-	-	-	-	1,500.00	-	1,500.00	-
Balance as on 31st March, 2017								
Loan Given	908.00	-	-	-	-	2,631.00	908.00	2,631.00
Interest Receivable	122.51	-	-	-	176.42	491.80	298.92	491.80
Investments	-	-	-	-	11,270.00	12,720.00	11,270.00	12,720.00
Security Deposit	-	-	-	-	0.36	7.20	0.36	7.20
Commission Receivable	-	-	-	-	2.32	3.70	2.32	3.70
Commission Payable	-	-	-	-	1.47	1.82	1.47	1.82
Service Charges Payable	-	68.95	-	-	-	-	-	68.95
Corporate Guarantee	-	-	-	-	1,500.00	-	1,500.00	-

(₹ in Lakhs)

	2016-17	2015-16
Note 24 CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES		
Amount required to be spent by the Company during the year	93.30	88.83
Amount spent during the year through registered trust	168.00	115.00
Note 25 AUDITORS REMUNERATION		
Statutory Audit Fees	1.51	1.50
Tax Audit Fees	0.50	-
Limited Review Fees	0.45	0.45
Income Tax & Other Certification	5.13	0.09
	7.59	2.04

Note 26 Borrowings from RBL Bank Limited repayable on demand is secured by hypothecation on receivables of the project at "Zandu Sigma Estates", 70, Gokhale Road, Dadar, Mumbai 400025 coupled with the corporate guarantee by a related party.

Note 27 Following the accounting policies for revenue recognition, the Company has recognised revenue attributable to 1,830 sq.ft. carpet area in relation to the project at 70, Gokhale Road, Mumbai 400025 and as such the proportionate Revaluation Reserve amounting to ₹412.40 Lakhs has been transferred to Statement of Profit and Loss.

Note 28 Disclosure in terms of Notification dated 30/03/2017 issued by the Ministry of Corporate Affairs:
Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016:

(₹ in Lakhs)

Particulars	SBNs	Other denomination Notes	Total
Closing cash in hand as on 08/11/2016	0.43	0.05	0.48
Add: Withdrawal from Bank accounts	–	0.50	0.50
Add: Receipts for permitted transactions	0.06	12.93	12.99
Add : Receipts for non-permitted transactions	–	–	–
Less : Paid for permitted transactions	–	0.62	0.62
Less : Paid for non-permitted transactions	–	–	–
Less: Deposited in Bank Accounts	0.49	12.10	12.59
Closing cash in hand as on 30/12/2016	–	0.76	0.76

Note 29 **Contingent Liabilities not provided for in respect of:**

Disputed Direct Taxes of ₹ 64.04 Lakhs (P.Y. ₹ 42.71 Lakhs) net of advances.

Note 30 The Company operates in a single Business Segment i.e. Real Estate Development.

Note 31 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: 3rd May, 2017

For and on behalf of the Board of Directors

Abhijit Datta

Chairman

Aditya Poddar

Director

Hari Mohan Marda

Director

Sandeep Jhunjunwala

Manager & CFO

Karabi Sengupta

Director

Priyanka Mundhra

Company Secretary