

96th
ANNUAL REPORT
2014 - 2015

zandu realty limited

Corporate Information

BOARD OF DIRECTORS

Mr. Abhijit Datta, *Chairman*
Mr. Hari Mohan Marda
Mrs. Karabi Sengupta (w.e.f. 31.03.2015)
Mr. Aditya Poddar
Mr. Sandeep Jhunjhunwala, *Manager & CFO*

STATUTORY AUDITORS

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

BANKERS

ICICI Bank Limited
The Ratnakar Bank Limited

REGISTERED OFFICE

Emami Tower, 2nd Floor
687, Anandapur, E. M. Bypass
Kolkata - 700 107
Phone : (033) 6613 6264
Fax : (033) 6613 6249
E-mail : investors@emamirealty.com
Website : www.emamirealty.com
CIN : L24239WB1919PLC136397

REGISTRAR AND TRANSFER AGENT

M/S Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Phone : (033) 2243 5809/5029
Fax : (033) 2248 4787
Email : mdpl@cal.vsnl.net.in

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Notice

NOTICE is hereby given that the 96th Annual General Meeting of the Members of Zandu Realty Limited will be held at Emami Tower, 687 Anandapur, E. M. Bypass, Kolkata – 700 107 on 9th September, 2015 at 3.15 P.M. to transact the following businesses :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sandeep Jhunjhunwala (DIN: 06433099), who retires by rotation and being eligible, offer himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendations of Audit Committee of the Board of Directors, M/S. S. K. Agrawal & Co., Chartered Accountants (Registration No. 306033E), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of 101st AGM of the Company, subject to ratification by shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of traveling and out of pocket expenses incurred by them for the purpose of audit.”

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made thereunder and Clause 49 of the Listing Agreement, Mrs. Karabi Sengupta (DIN: 02534951), who was appointed as an Additional Director of the Company under Section 161 of the Act with effect from 31st March, 2015 by the Board of Directors to hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years up to 31st March 2020 and whose office shall not be liable to determination by retirement of Directors by rotation.”

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

“RESOLVED THAT in partial modification of the resolution passed by the shareholders in the Annual General Meeting held on 12th August 2013 and pursuant to the provisions of the Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded for appointment of Mr. Sandeep Jhunjhunwala, Director & Manager of the Company as the Chief Financial Officer (CFO) designated as “Manager & CFO” w.e.f 25th May 2015 and payment of such remuneration to him w.e.f. 1st January 2015, upto the remaining period of his tenure, i.e., 8th November 2017 as set out in the Explanatory Statement annexed to the notice convening the meeting, which is hereby approved and sanctioned with authority to the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and/or the remuneration, in such manner as may be agreed to between the Board and Mr. Sandeep Jhunjhunwala.

RESOLVED FURTHER THAT the remuneration payable to Mr. Sandeep Jhunjhunwala shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act or such other limits as may be prescribed from time to time.

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

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

“RESOLVED THAT in supersession of the Resolution passed at the Annual General Meeting of the Company held on 12th August, 2013 and pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force),

the Board of Directors (hereinafter referred to as 'the Board' which shall deem to include any committee thereof) be and are hereby authorized to contribute and/or donate from time to time, to bonafide charitable and other funds/activities, in any financial year, any amount the aggregate of which, may exceed five per cent of its average net profits for the three immediately preceding financial years, subject to a limit of ₹ 10 Crores.

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

By Order of the Board

Sandeep Jhunjunwala

Manager & CFO

Place : Kolkata
Date : May 25, 2015

Notes :

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Proxy, to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in relation to the Special Businesses is annexed hereto and forms part of this Notice.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from 3rd day of September, 2015 to 9th day of September, 2015, (both days inclusive).
6. A statement containing details of the Director seeking appointment/re-appointment at the Meeting as required under clause 49 of the Listing Agreement is annexed.
7. As an austerity measure, copies of the Annual Report will not be distributed at the Meeting; members are requested to bring their copies to the meeting.
8. Members are requested to intimate to the Company, queries, if any, regarding the audited accounts at least ten days before the Meeting to enable the Management to keep the information ready at the Meeting.
9. Members / Proxies are requested to bring their Attendance Slip sent herewith, duly filled in, for attending the Meeting.
10. In terms of Section 205C of the Companies Act, 1956, unpaid dividend pertaining to financial year 2006-07 (One-time Special Dividend) and financial year 2007-08 (Interim Dividend) amounting to ₹ 13,52,205/- which was lying with the Company for a period of seven years were transferred to the Investors Education and Protection Fund ("IEPF") during the year under review.

As on 31st March 2015, the balance lying in Unclaimed Dividend Account is ₹ 15,17,325/- which pertains to the Final Dividend for the year 2007-08 and it is due for transfer to the IEPF on 8th June 2015. Subsequent to 31st March 2015, the Company has paid an amount of ₹ 8,62,975/- to the shareholders who have claimed their unclaimed amount from the Company and the balance shall be transferred to IEPF on the due date.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA for registration of transmission/transposition, deletion of name etc.
12. Electronic copy of the Annual Report for the Financial year 2014-15 and Notice of the 96th Annual General Meeting

of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all such members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 96th Annual General Meeting of the Company *inter-alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of 96th Annual General Meeting and Annual Report for Financial year 2014-15 will also be available on Company's website at www.emamirealty.com for their download.

13. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
14. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility of remote e-voting to all members, for which purpose the Company has engaged the services of Central Depository Services (India) Limited (CDSL).
15. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on 2nd September, 2015 (cut-off date). Only those members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or ballot voting at the AGM.
16. The facility for voting through ballot paper will be made available at the AGM and the members attending the AGM who have not cast their vote through remote e-voting shall be able to exercise their right at the AGM through ballot paper. The members who have already cast their vote through remote e-voting can attend AGM but shall not be entitled to cast their votes again.

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

- (i) The voting period begins on Saturday, 5th September, 2015 from 10.00 a.m. (IST) and ends on Tuesday, 8th September, 2015 at 5.00 p.m. (IST) During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID :
 - a) For CDSL : 16 digits beneficiary ID,
 - b) For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user then follow the steps given below :

For Members holding shares in Demat Form and in Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	<p>◀ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>◀ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. Sequence number is communicated in the Covering Letter.</p>
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field.
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- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for “ZANDU REALTY LIMITED”.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “CLICK HERE TO PRINT” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on “FORGOT PASSWORD” & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians
- ◀ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates and Custodians respectively.
 - ◀ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ◀ After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - ◀ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ◀ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under Help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company
- (xxi) Those who become Members of the Company after dispatch of the AGM Notice but on or before 2nd September 2015 (cut-off date) may write to CDSL at helpdesk.evoting@cdslindia.com or to the Company at investors@emamirealty.com requesting for e-voting details. However, those Members already registered with CDSL for remote e-voting can login to website www.evotingindia.com and exercise their votes.
- (xxii) The Board of Directors of the Company at their meeting held on 25th May 2015 has appointed Mr. Manoj Bantia, MKB & Associates Practicing Company Secretary (ACS No. 11470, CP No. 7596) as the Scrutinizer to

scrutinize the e-voting process in fair and transparent manner, whose e-mail address is: mbanthia2010@gmail.com.

(xxiii) The results of voting will be declared within 48 hours from the conclusion of AGM and the resolutions proposed thereat will be deemed to be passed on the date of AGM, subject to receipt of requisite number of votes. The declared results, along with Scrutinizer's Report, will be availed forthwith on the website of the company www.emamirealty.com and on the website of CDSL, such results will also be forwarded to the Stock Exchanges where the Company's shares are listed.

(xxiv) In case of members receiving the physical copy they are advised to follow all steps from serial no. (i) to (xvii) above.

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

Item No. 4

The Board of Directors at its meeting held on 31st March, 2015 appointed Mrs. Karabi Sengupta as an Additional Director of the Company with effect from 31st March 2015 to hold office upto the date of the ensuing Annual General Meeting of the Company under Section 161 of the Companies Act, 2013.

In the opinion of the Board, Mrs. Karabi Sengupta fulfils the conditions specified under the Companies Act, 2013 and rules made thereunder for appointment as Independent Director of the Company and is independent of the management. Accordingly, in compliance of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013, Mrs. Karabi Sengupta, being eligible and offering herself for appointment, is proposed to be appointed as Independent Director of the Company for a term of 5 consecutive years from the date of her appointment. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from a shareholder signifying his intention to propose the appointment of Mrs. Karabi Sengupta as Director of the Company.

Copy of the letter for appointment of Mrs. Karabi Sengupta as Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Your Directors seek your approval to the said resolution. Except Mrs. Karabi Sengupta, being the appointee and her relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution.

Item No. 5

The Board of Directors in their meeting held on 9th November, 2012 has appointed Mr. Sandeep Jhunjunwala as Director & Manager of the Company for a period of 5 years without remuneration which was approved by the shareholders in the Annual General Meeting held on 12th August, 2013. Subsequently, the Board in their meeting held on 13th February, 2015 approved payment of salary of ₹ 1,00,000/- per month along with perquisites and other benefits to Mr. Jhunjunwala w.e.f. 1st January, 2015 subject to approval of the members. On the recommendations of the Nomination & Remuneration Committee and Audit Committee and considering that Mr. Jhunjunwala has been discharging the functions of a Chief Financial Officer (CFO) in the Company since his appointment as per the job profile finalized for him at the time of appointment, the Board in its meeting held on 25th May 2015 formally appointed Mr. Jhunjunwala as the CFO of the Company in addition to his current designation of Director & Manager.

The broad particulars of appointment of Mr. Jhunjunwala are as under:

- (a) Mr. Sandeep Jhunjunwala has been designated as the "Manager & CFO" of the Company with effect from 25th May 2015 upto the remaining period of his tenure, i.e., 8th November 2017.
- (b) Basic Salary of ₹ 1,00,000/- (Rupees One Lakh only) per month and perquisites & other benefits including HRA, Children Education Allowance, contribution to Provident Fund, gratuity, LTA, with annual increment to be based on the recommendations of the Nomination and Remuneration Committee and decided by the Board of Directors on merit at its absolute discretion, which shall however be only so done so as not to exceed the maximum permissible limits of managerial remuneration under the Act, payable without the approval of the Central Government.
- (c) All the other terms and conditions of appointment as approved by Shareholders at their meeting held on 12th August 2013 remain unaltered.

The Board recommends the resolution at item no. 5 for your approval.

The explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

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

Copy of the Agreements dated 13th February 2015 and 25th May 2015 are available for inspection by the members of the Company at the Registered Office of the Company between 11.00 am and 1.00 pm on all working days except Saturdays.

Item No. 6

Under Section 181 of the Act, the Board of Directors of the Company is authorized to make contributions to charitable and other funds, provided that prior permission of the Members is required for such contributions during a financial year exceeding five percent of its average net profits during the three immediately preceding financial years. The Members had, at the Annual General Meeting held on August 12, 2013, passed a Resolution for making donations in excess of an amount of five percent of the Company's average net profits (determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956) during the three immediately preceding financial years but not exceeding ₹ 10 crores in a financial year.

The approval of the Members is being sought, pursuant to Section 181 of the Act, for authorizing the Board of Directors of the Company to make contributions to bona fide charitable and other funds, in a financial year, exceeding five percent of the Company's average net profits during the three immediately preceding financial years subject to a limit of ₹ 10 crores.

The Board recommends the resolution at item no. 6 for your approval.

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

By Order of the Board

Place : Kolkata
Date : May 25, 2015

Sandeep Jhunjunwala
Manager & CFO

Pursuant to Clause 49 of the listing agreements with the stock exchanges, following information is furnished about the Directors proposed to be appointed/re-appointed

- Mrs. Karabi Sengupta**, aged 64 years, is a Non-Executive Independent Director on the Board of the Company since March 31, 2015. Mrs. Sengupta is a Bachelor in Architecture from Jadavpur University. She was associated with West Bengal Housing Board for almost 30 years and retired after serving as the Chief Architect of West Bengal Housing Board for 10 years in 2011. She has also been an Architectural Advisor and subsequently the Chief Architect to Newtown Kolkata Development Authority for almost 10 years. She does not hold any shares in the Company. She is not related to any other Director of the Company.

Other Directorships	Other Committee Memberships
Emami Infrastructure Limited	NONE

- Mr. Sandeep Jhunjunwala**, aged 43 years, is a Director & Manger on the Board of the Company since 9th November 2012. He has been appointed as CFO of the Company w.e.f. 25th May 2015 designated as Manager & CFO. He is a Chartered Accountant and Cost Accountant and has over 18 years of rich experience in Service, Manufacturing & Real Estate Industry in the field of Finance, Accounts, Secretarial, MIS, Direct & Indirect Taxes and Inventory Management. Mr. Jhunjunwala does not hold any shares in the Company. He is not related to any other Director of the Company.

Other Directorships	Other Committee Memberships
1. Emami Estates Pvt. Ltd.	NONE
2. Gateway Nirman Pvt. Ltd.	
3. Namo Edu Infrastructure Pvt. Ltd.	
4. Add-Albatross Properties Pvt. Ltd.	
5. Sneha Skyghigh Pvt. Ltd.	
6. Oriental Sales Agencies (India) Pvt. Ltd.	
7. Emami Nirman Pvt. Ltd.	
8. Emami Buildcon Pvt. Ltd.	

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 96th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2015.

The performance of the Company for the year ended on 31st March, 2015 is summarised below : (₹ in Lacs)

Particulars	2014-15	2013-14
Revenue from operations	8,691.06	2,904.00
Other Income*	8,675.69	2,743.90
Total Income	17,366.75	5,647.90
Total Expenses	9,209.07	692.74
Profit Before Taxation	8,157.68	4,955.16
Tax Expenses		
- Current Tax	1,723.00	1,295.60
- Earlier Year Income Tax (Net)	7.20	(183.65)
Profit after Taxation	6,427.47	3,843.21
Transfer to General Reserves	-	-
Profit /(Loss) Brought Forward from previous year	(1,324.67)	(5,167.88)
Net Surplus/(Deficit) in the Statement of Profit & Loss	5,102.80	(1,324.67)

* Includes ₹ 8,057.57 Lacs (Previous Year – ₹ 2,674.08 Lacs) proportionate transfer from Revaluation Reserves.

DIVIDEND

In order to conserve existing resources of the Company, your Directors do not recommend any dividend for the year ended 31st March 2015.

STATE OF COMPANY AFFAIRS

In respect of Company's Project, "Zandu Sigma Estate" at Dadar, Mumbai, the Company has received Occupancy Certificate for Building 1A & 2. As on 31st March, 2015, your Company has been able to sell around 81% of its Units in the said Project.

SCHEME OF AMALGAMATION OF EMAMI REALTY LIMITED

During the year under review, the Board of Directors has decided not to proceed further with the proposal of amalgamation of "M/S Emami Realty Limited" with itself and accordingly, all proceedings in connection therewith have been withdrawn.

CHANGE IN NATURE OF BUSINESS, IF ANY

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

MATERIAL CHANGES AND COMMITMENTS AFTER THE BALANCE SHEET DATE

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

SUBSIDIARIES/ASSOCIATE/JOINT VENTURE

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Companies Act, 2013 in relation to loans or guarantee are not applicable to the Company, being an infrastructure company as defined under Schedule VI to the Act. Details of investments covered under Section 186 of the Act form part of the Notes to the Financial Statements provided in this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no contracts or arrangements entered into by the Company with Related Parties referred to in Section 188(1) of the Companies Act, 2013.

A policy on 'Materiality of and dealing with Related Party Transactions' has been devised by the Board of Directors at its meeting held on 12th November 2014 for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at the Company's website at the weblink http://www.emamirealty.com/policy_zandu.php.

PUBLIC DEPOSITS

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

AUDITORS & AUDITORS' REPORT

The Board, on recommendations of the Audit Committee, has proposed that M/S S. K. Agrawal & Co., Chartered Accountants (Firm Registration No. 306033E), who retires at the conclusion of ensuing Annual General Meeting ("AGM"), be reappointed as the Statutory Auditors of the Company, to hold office till the conclusion of fifth consecutive AGM, subject to ratification by members at every AGM held after the ensuing AGM. M/S S. K. Agrawal & Co. have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they satisfy the criteria provided in Section 141 of the Act.

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

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/S MKB and Associates, Practising Company Secretaries as Secretarial Auditor of the Company. The Secretarial Audit Report for the financial year ended 31st March 2015 is annexed herewith as "Annexure 1".

The Secretarial Auditor, in his Report, has pointed out that

- (a) The Company has not appointed any Chief Financial Officer as required under Section 203(1) of the Act.
- (b) Mr. Sandeep Jhunjunwala, Director & Manager and Mr. Anand Mundra, CEO (Commercial) & Company Secretary (upto 30th March 2015) also held office as employees in another company upto 31st December 2014 and 30th March 2015 respectively.

Though not formally appointed as CFO, Mr. Sandeep Jhunjunwala has been discharging the functions of CFO in the Company since his appointment as per his job profile finalized for him at the time of appointment. The Board in its meeting held on 25th May 2015 has appointed Mr. Jhunjunwala as the Manager & CFO of the Company.

In respect of holding of office of employee in another company, your Directors have to state that such holding of offices were existing contracts as on the commencement of Companies Act, 2013 and as observed by the Secretarial Auditor, they have relinquished such offices during the year.

DIRECTORS, KEY MANAGERIAL PERSONNEL

I. INDEPENDENT DIRECTORS

(a) Appointment of Independent Directors:

At the Annual General Meeting of the Company held on 5th September, 2014, the Members of the Company appointed Mr. Abhijit Datta (DIN: 00790029), Mr. Hari Mohan Marda (DIN: 00855466), Mr. Aditya Poddar (DIN: 00646898) and Mr. Amar Bhalotia (DIN: 00642662) as Independent Directors under the Act for a term up to 31st March, 2019.

(b) Change in Directorship during the year:

Mr. Amar Bhalotia resigned from the Directorship of the Company with effect from 13th February 2015 due to his personal reasons. The Board places on record their appreciation for the services and contribution made by him during his tenure.

As per the provisions of Section 149(1) of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement, the Company is required to have atleast one Woman Director on its Board. Keeping in view this requirement, Mrs. Karabi Sengupta (DIN: 02534951), was appointed as Additional Director of the Company with effect from 31st March, 2015 on recommendation of the Nomination and Remuneration Committee.

(c) Statement on declaration given by Independent Directors under sub-section (6) of Section 149:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

(d) Familiarization programme undertaken for Independent Directors:

The Independent Directors are familiarised with the Company, their roles, rights, responsibilities in the Company,

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

II. NON-INDEPENDENT DIRECTORS

As per the provisions of Section 152(6)(c) of the Companies Act, 2013, Mr. Sandeep Jhunjunwala (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

During the year under review, Mr. Anand R. Mundra, CEO (Commercial) & Company Secretary resigned from his office with effect from 31st March 2015. The Board places on record their appreciation for the services rendered by him during his tenure.

MEETINGS OF BOARD OF DIRECTORS

During the financial year ended 31st March, 2015, six Board Meetings were held, details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

MEETINGS OF INDEPENDENT DIRECTORS

According to Clause 49 of the Listing Agreement, a meeting of the Independent Directors is required to be held, inter alia, to review the performance of the Non-Independent Directors and the Board as a whole. Accordingly, a meeting of Independent Directors was held on 30th March 2015 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

During the year under review, there was no employee receiving remuneration from the Company, other than one managerial personnel. Therefore, the Statement of Particulars of Appointment and Remuneration of Managerial personnel as per Section 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

PARTICULARS OF EMPLOYEES

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

CORPORATE SOCIAL RESPONSIBILITY

As per 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 financial year 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.

Our CSR Committee comprises of Mr. Abhijit Datta as the Chairman, Mr. Aditya Poddar and Mr. Sandeep Jhunjunwala as other members. The Committee is responsible for formulating and monitoring the CSR Policy of the Company.

Due to loss in the financial year 2011-12, the average net profit for three preceding financial years has become negative. Therefore there is no statutory requirement to spend for CSR activities for the Company during the financial year 2014-15. The Company, though, has donated a sum of ₹ 4.37 Crores towards Chairtable activities.

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, 2015, the applicable accounting standards, have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;

- (iii) the Directors had 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; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out in Clause 49 of the Listing Agreement. The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

CEO/CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement, the CEO/CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, that of its Committees and individual Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Nomination and Remuneration Committee at its meeting established the criteria based on which the Board will evaluate the performance of the Directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Non Independent Directors and Board as a whole was also carried out by the Independent Directors.

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 2" 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 Clause 49 of the Listing Agreement. 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 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 at the weblink: http://www.emamirealty.com/policy_zandu.php

RISK MANAGEMENT POLICY

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, 2015 in Form MGT 9 is annexed hereto as "Annexure 3" and forms a part of this report.

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.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has permitted companies to send electronic copies of Annual Report, notices etc., to the e-mail IDs of shareholders. Your Company has accordingly arranged to send the soft copies of these documents to the e-mail IDs of shareholders wherever applicable. In case any shareholder would like to receive physical copies of these documents, the same shall be forwarded upon receipt of written request.

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

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 are given in the "Annexure 4" hereto and forms part of this Report.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 205C of the Companies Act, 1956, unpaid dividend pertaining to financial year 2006-07 (One-time Special Dividend) and financial year 2007-08 (Interim Dividend) amounting to ₹ 13,52,205/- which was lying with the Company for a period of seven years were transferred to the Investors Education and Protection Fund ("IEPF") during the year under review.

As on 31st March 2015, the balance lying in Unclaimed Dividend Account is ₹ 15,17,325/- which pertains to the Final Dividend for the year 2007-08 and it is due for transfer to the IEPF on 8th June 2015. Subsequent to 31st March 2015, the Company has paid an amount of ₹ 8,62,975/- to the shareholders who have claimed their unclaimed amount from the Company and the balance shall be transferred to IEPF on the due date.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board of Directors

Kolkata
May 25, 2015

Abhijit Datta
Chairman

Annexure to the Directors' Report

Annexure - 1

SECRETARIAL AUDIT REPORT Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[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

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S 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 my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015, 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 following Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act"), to the extent applicable :
 - a) SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011
 - b) SEBI (Prohibition of Insider Trading) Regulations, 1992
 - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - d) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - e) SEBI (Issue and listing of Debt securities) Regulations, 2008
 - f) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - g) The SEBI (Delisting of Equity Shares) Regulations, 2009
 - h) The SEBI (Buyback of Securities) Regulations, 1998
- vi) As identified by the Management, no specific laws/acts are applicable to the Company.

The Company has 1 property situated at the junction of Sayani Road and Gokhale Road, Dadar (West), Mumbai - 400 025 ("Project") in respect of which the Company has entered into a Registered Development Agreement on 9th September 2011 with Sheth Corp Private Limited ("Developer").

In terms of the said Agreement, the Developer has assumed all obligations, and is fully responsible for any contravention, violation, non-compliance of any laws, rules, regulations, terms of sanction/approvals/permissions/no objection certificates and for all aspects of the development carried out under the said Development Agreement.

I have also examined compliance with the applicable clauses of the followings :

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

- a) *The Company has not appointed any Chief Financial Officer as required under Section 203(1) of the Act.*
- b) *Mr. Sandeep Jhunjhunwala, Director & Manager and Mr. Anand Mundra, CEO (Commercial) & Company Secretary (upto 30th March 2015) also held office as employees in another company upto 31st December 2014 and 30th March 2015 respectively.*

I further report that :

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting 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.

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

I further report that during the audit period, the Company has passed a special resolution for approval of borrowing limits under Section 180 (1)(c) of the Companies Act, 2013 which authorise the Board to exercise powers in relation thereto, but presently do not have any major bearing on the Company's affairs.

For **MKB & ASSOCIATES**
Company Secretaries
Manoj Kumar Banthia
Proprietor

ACS No. 11470
COP No. 7596

Date : May 25, 2015
Place : Kolkata

Annexure – 2

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 Formulating framework and/or policy for remuneration, terms of employment and any changes, including service contracts, remuneration, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;

3.2.2 Formulating criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Executives.

3.2.3 Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out evaluation of every director’s performance.

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 Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.2 Remuneration to Non-Executive Directors:

4.2.1 The Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. Beside the sitting fees they are also entitled to reimbursement of expenses for attending meetings. The Non-executive Directors of the Company are not paid any other remuneration or commission. The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be

modified from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.

4.2.2 As a policy, the Executive Directors are neither paid sitting fee nor any commission.

4.3 Remuneration to other employees:

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

5. Policy for Selection of Directors and determining Directors' independence

Qualifications and Criteria:

5.1 The NR Committee, and the Board, shall review on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in areas that are relevant to the Company's operations.

5.2 In evaluating the suitability of individual Board members, the Committee takes into account many factors, such as:

5.2.1 general understanding of the Company's business dynamics, global business and social perspective,

5.2.2 educational and professional background and personal achievements,

5.2.3 professional ethics, integrity and values,

5.2.4 ability to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions,

5.2.5 willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

5.3 The proposed appointee shall also fulfill the following requirements:

5.3.1 Shall possess a Director Identification Number;

5.3.2 Shall not be disqualified under the Companies Act, 2013;

5.3.3 Shall give his written consent to act as a Director;

5.3.4 Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

5.3.5 Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

5.3.6 Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

5.3.7 Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, Equity Listing Agreements 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 Clause 49 of the Equity Listing Agreement, shall be applied by the Committee for their assessment.

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

Other Directorships/Committee Memberships:

- 5.8 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 5.9 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 5.10 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 5.11 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.
- 5.12 For the purpose of considering the limit of the Committee Membership, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

6 Procedure for Selection and Appointment of Executives other than Board Members

- 6.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel;
- 6.2 The Committee may conduct a wide-ranging search for candidates for the positions of KMP and SMP within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, and on the human resources market;
- 6.3 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of KMP and SMP;
- 6.4 Before the selection of KMP or SMP, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;
- 6.5 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

Form No. MGT - 9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

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

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	Real Estate	701	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
	NIL	—	—	—	—

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 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% 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	2,012	172	2,184	0.27	2,101	172	2,273	0.28	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)	2,012	172	2,184	0.27	2,101	172	2,273	0.28	0.01
2	Non-Institutions									
(a)	Bodies Corp.									
(i)	Indian	75,585	163	75,748	9.39	92,218	163	92,381	11.46	2.07
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 01-04-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% change during the Year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Shares	
(i)	Individual shareholders holding nominal share capital up to ₹ 1 Lac	3,38,319	25,672	3,63,991	45.14	3,18,609	25,330	3,43,939	42.65	-2.49
(ii)	Individual shareholders holding nominal share capital in excess of ₹ 1 Lacs	23,541	2,921	26,462	3.28	54,209	2,921	57,130	7.08	3.80
(c)	Any Other (specify)									
(c-i)	Clearing Member	39,374	-	39,374	4.88	7,389	-	7,389	0.92	-3.96
(c-ii)	Non Resident Indian	12,302	10	12,312	1.53	16,949	10	16,959	2.10	0.57
	Sub-total (B)(2)	4,89,121	28,766	5,17,887	64.22	4,89,374	28,424	5,17,798	64.21	-0.01
	Total Public Shareholding (B)= (B)(1)+(B)(2)	4,91,133	28,938	5,20,071	64.49	4,91,475	28,596	5,20,071	64.49	-
(C)	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	7,77,462	28,938	8,06,400	100.00	7,77,804	28,596	8,06,400	100.00	-

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

(iii) Change in Promoters' Shareholding:

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	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	India Infoline Limited #	34,518	4.28	01.04.2014				
				04.04.2014	-34,386	Transfer	132	0.02
				11.04.2014	58	Transfer	74	0.01
				18.04.2014	47	Transfer	27	0.003
				25.04.2014	27	Transfer	-	
		-	-	31.03.2015				
2	Placid Limited	29,500	3.66	01.04.2014	No change		-	-
		29,500	3.66	31.03.2015				
3	Hemlata Bhatt	6,772	0.84	01.04.2014	No change			
		6,772	0.84	31.03.2015				
4	Pripan Investment Private Limited	6,498	0.81	01.04.2014	No change			
		6,498	0.81	31.03.2015				
5	Mahesh Vrajlal Babaria	4,874	0.60	01.04.2014	No change			
		4,874	0.60	31.03.2015				
6	Siddharth Bhatt #	2,936	0.36	01.04.2014	No change			
		2,936	0.36	31.03.2015				
7	Bonanza Portfolio Limited #	1,803	0.22	01.04.2014				
				04.04.2014	146	Transfer	1,949	0.24
				11.04.2014	-75	Transfer	1,874	0.23
				18.04.2014	-236	Transfer	1,638	0.20
				25.04.2014	-52	Transfer	1,586	0.20
				02.05.2014	-120	Transfer	1,466	0.18
				09.05.2014	132	Transfer	1,598	0.20
				16.05.2014	-39	Transfer	1,559	0.19
				23.05.2014	-89	Transfer	1,470	0.18
				30.05.2014	-210	Transfer	1,260	0.16
				06.06.2014	831	Transfer	2,091	0.26
				13.06.2014	-751	Transfer	1,340	0.17
				20.06.2014	17	Transfer	1,357	0.17
				30.06.2014	22	Transfer	1,379	0.17
				04.07.2014	-49	Transfer	1,330	0.16
				11.07.2014	-260	Transfer	1,070	0.13
				18.07.2014	233	Transfer	1,303	0.16
				25.07.2014	-234	Transfer	1,069	0.13
				01.08.2014	38	Transfer	1,107	0.14
		08.08.2014	-24	Transfer	1,083	0.13		
		14.08.2014	15	Transfer	1,098	0.14		
		22.08.2014	-2	Transfer	1,096	0.14		
		29.08.2014	30	Transfer	1,126	0.14		
		05.09.2014	29	Transfer	1,155	0.14		
		12.09.2014	-14	Transfer	1,141	0.14		

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
				19.09.2014	15	Transfer	1,156	0.14
				30.09.2014	-29	Transfer	1,127	0.14
				03.10.2014	-107	Transfer	1,020	0.13
				10.10.2014	-78	Transfer	942	0.12
				17.10.2014	134	Transfer	1,076	0.13
				24.10.2014	-72	Transfer	1,004	0.12
				31.10.2014	-14	Transfer	990	0.12
				07.11.2014	3	Transfer	993	0.12
				14.11.2014	-46	Transfer	947	0.12
				21.11.2014	116	Transfer	1,063	0.13
				28.11.2014	-28	Transfer	1,035	0.13
				05.12.2014	58	Transfer	1,093	0.14
				12.12.2014	-64	Transfer	1,029	0.13
				19.12.2014	-6	Transfer	1,023	0.13
				31.12.2014	-65	Transfer	958	0.12
				02.01.2015	14	Transfer	972	0.12
				09.01.2015	36	Transfer	1,008	0.13
				16.01.2015	34	Transfer	1,042	0.13
				23.01.2015	-20	Transfer	1,022	0.13
				30.01.2015	16	Transfer	1,038	0.13
				06.02.2015	5	Transfer	1,043	0.13
				13.02.2015	44	Transfer	1,087	0.13
				20.02.2015	17	Transfer	1,104	0.14
				27.02.2015	20	Transfer	1,124	0.14
				06.03.2015	4	Transfer	1,128	0.14
				13.03.2015	27	Transfer	1,155	0.14
				20.03.2015	19	Transfer	1,174	0.15
				27.03.2015	-2	Transfer	1,172	0.15
		1,177	0.15	31.03.2015	5	Transfer	1,177	0.15
8	Karvy Stock Broking Limited #	1,778	0.22	01.04.2014				
				04.04.2014	-16	Transfer	1,762	0.22
				11.04.2014	-2	Transfer	1,760	0.22
				18.04.2014	-13	Transfer	1,747	0.22
				25.04.2014	134	Transfer	1,881	0.23
				02.05.2014	-80	Transfer	1,801	0.22
				09.05.2014	-60	Transfer	1,741	0.22
				16.05.2014	46	Transfer	1,787	0.22
				23.05.2014	79	Transfer	1,866	0.23
				30.05.2014	-94	Transfer	1,772	0.22
				06.06.2014	75	Transfer	1,847	0.23
				13.06.2014	115	Transfer	1,962	0.24
				20.06.2014	53	Transfer	2,015	0.25
				30.06.2014	26	Transfer	2,041	0.25
				04.07.2014	34	Transfer	2,075	0.26
				11.07.2014	-106	Transfer	1,969	0.24
				18.07.2014	180	Transfer	2,149	0.27

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
				25.07.2014	-515	Transfer	1,634	0.20
				01.08.2014	-88	Transfer	1,546	0.19
				08.08.2014	24	Transfer	1,570	0.19
				14.08.2014	142	Transfer	1,712	0.21
				22.08.2014	639	Transfer	2,351	0.29
				29.08.2014	25	Transfer	2,376	0.29
				05.09.2014	112	Transfer	2,488	0.31
				12.09.2014	-101	Transfer	2,387	0.30
				19.09.2014	204	Transfer	2,591	0.32
				30.09.2014	412	Transfer	3,003	0.37
				03.10.2014	-428	Transfer	2,575	0.32
				10.10.2014	249	Transfer	2,824	0.35
				17.10.2014	-383	Transfer	2,441	0.30
				24.10.2014	-238	Transfer	2,203	0.27
				31.10.2014	-115	Transfer	2,088	0.26
				07.11.2014	188	Transfer	2,276	0.28
				14.11.2014	372	Transfer	2,648	0.33
				21.11.2014	205	Transfer	2,853	0.35
				28.11.2014	-103	Transfer	2,750	0.34
				05.12.2014	-83	Transfer	2,667	0.33
				12.12.2014	-69	Transfer	2,598	0.32
				19.12.2014	73	Transfer	2,671	0.33
				31.12.2014	-150	Transfer	2,521	0.31
				02.01.2015	90	Transfer	2,611	0.32
				09.01.2015	906	Transfer	3,517	0.44
				16.01.2015	-923	Transfer	2,594	0.32
				23.01.2015	-79	Transfer	2,515	0.31
				30.01.2015	-57	Transfer	2,458	0.30
				06.02.2015	-529	Transfer	1,929	0.24
				13.02.2015	-235	Transfer	1,694	0.21
				20.02.2015	-175	Transfer	1,519	0.19
				27.02.2015	-6	Transfer	1,513	0.19
				06.03.2015	57	Transfer	1,570	0.19
				13.03.2015	-83	Transfer	1,487	0.18
				20.03.2015	1	Transfer	1,488	0.18
				27.03.2015	-121	Transfer	1,367	0.17
		1,376	0.17	31.03.2015	9	Transfer	1,376	0.17
9	Jayshree Cham-paklal Jhaveri #	2,900	0.36	01.04.2014	No change			
		2,900	0.36	31.03.2015				
10	Poonam Bathwal *	-	-	01.04.2014				
				11.04.2014	20,500	Transfer	20,500	2.54
				09.01.2015	-5,150	Transfer	15,350	1.90
		15,350	1.90	31.03.2015	-	-		
11	Anand Rathi Global Finance Limited *	-	-	01.04.2014				

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
				09.01.2015	7,700	Transfer	7,700	0.95
				16.01.2015	993	Transfer	8,693	1.08
		12,850	1.59	31.03.2015	4,157	Transfer	12,850	1.59
12	Rajeev Aggarwal *	-	-	01.04.2014				
				18.07.2014	2,000	Transfer	2,000	0.25
				25.07.2014	1,000	Transfer	3,000	0.37
				08.08.2014	1,996	Transfer	4,996	0.62
				14.08.2014	4	Transfer	5,000	0.62
				19.09.2014	1,500	Transfer	6,500	0.81
				24.10.2014	1,000	Transfer	7,500	0.93
				31.10.2014	121	Transfer	7,621	0.95
				21.11.2014	500	Transfer	8,121	1.01
				31.12.2014	200	Transfer	8,321	1.03
				02.01.2015	-200	Transfer	8,121	1.01
				09.01.2015	50	Transfer	8,171	1.01
				16.01.2015	150	Transfer	8,321	1.03
				06.02.2015	300	Transfer	8,621	1.07
				27.02.2015	100	Transfer	8,721	1.08
		8,721	1.08	31.03.2015		-		
13	Master Nikunj Bathwal *	-	-	01.04.2014				
				11.04.2014	14000	Transfer	14,000	1.74
				09.01.2015	-7700	Transfer	6,300	0.78
		6,300	0.78	31.03.2015				
14	Raj Yashvant Kapadia	5,472	0.68	01.04.2014	No change			
		5,472	0.68	31.03.2015				
15	Globe Capital Market Limited *	757	0.09	01.04.2014				
				04.04.2014	80	Transfer	837	0.10
				18.04.2014	-53	Transfer	784	0.10
				25.04.2014	63	Transfer	847	0.11
				02.05.2014	-76	Transfer	771	0.10
				09.05.2014	-1	Transfer	770	0.10
				16.05.2014	48	Transfer	818	0.10
				23.05.2014	-260	Transfer	558	0.07
				30.05.2014	-37	Transfer	521	0.06
				06.06.2014	35	Transfer	556	0.07
				13.06.2014	64	Transfer	620	0.08
				20.06.2014	-35	Transfer	585	0.07
				30.06.2014	-112	Transfer	473	0.06
				11.07.2014	541	Transfer	1,014	0.13
				18.07.2014	-113	Transfer	901	0.11
				25.07.2014	156	Transfer	1,057	0.13
				01.08.2014	-2	Transfer	1,055	0.13

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
				08.08.2014	-437	Transfer	618	0.08
				14.08.2014	359	Transfer	977	0.12
				22.08.2014	-228	Transfer	749	0.09
				29.08.2014	80	Transfer	829	0.10
				05.09.2014	1,512	Transfer	2,341	0.29
				12.09.2014	71	Transfer	2,412	0.30
				19.09.2014	-211	Transfer	2,201	0.27
				30.09.2014	157	Transfer	2,358	0.29
				03.10.2014	-56	Transfer	2,302	0.29
				10.10.2014	5	Transfer	2,307	0.29
				17.10.2014	14	Transfer	2,321	0.29
				24.10.2014	12	Transfer	2,333	0.29
				31.10.2014	658	Transfer	2,991	0.37
				07.11.2014	-145	Transfer	2,846	0.35
				14.11.2014	310	Transfer	3,156	0.39
				21.11.2014	121	Transfer	3,277	0.41
				28.11.2014	572	Transfer	3,849	0.48
				05.12.2014	48	Transfer	3,897	0.48
				12.12.2014	-12	Transfer	3,885	0.48
				19.12.2014	13	Transfer	3,898	0.48
				31.12.2014	76	Transfer	3,974	0.49
				02.01.2015	444	Transfer	4,418	0.55
				09.01.2015	-106	Transfer	4,312	0.53
				16.01.2015	10	Transfer	4,322	0.54
				23.01.2015	22	Transfer	4,344	0.54
				30.01.2015	-17	Transfer	4,327	0.54
				06.02.2015	-102	Transfer	4,225	0.52
				13.02.2015	-28	Transfer	4,197	0.52
				27.02.2015	8	Transfer	4,205	0.52
				06.03.2015	310	Transfer	4,515	0.56
				13.03.2015	142	Transfer	4,657	0.58
				20.03.2015	-127	Transfer	4,530	0.56
				27.03.2015	-6	Transfer	4,524	0.56
		4,521	0.56	31.03.2015	-3	Transfer	4,521	0.56

* Not in the List of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2015.

Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2014.

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year:				
i) Principal amount	–	–	–	–
ii) Interest due but not paid	–	32,83,768	–	32,83,768
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	32,83,768	–	32,83,768
Change in Indebtedness during the financial year:				
- Addition	35,00,00,000	–	–	35,00,00,000
- Reduction	–	32,83,768	–	32,83,768
Net Change	35,00,00,000	–	–	35,00,00,000
Indebtedness at the end of the financial year:				
i) Principal amount	35,00,00,000	–	–	35,00,00,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	35,00,00,000	–	–	35,00,00,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total
		Mr. Sandeep Jhunjunwala (Director & Manager)	
1	Gross Salary		
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 *	5,51,755	5,51,755
(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)	5,51,755	
	Ceiling as per the Act	3,21,37,372 (5% of Net Profit)	

* For the period from 1st January 2015 to 31st March 2015

B. Remuneration to other directors:

(₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Abhijit Datta	Mr. Hari Mohan Marda	Mrs. Karabi Sengupta	Mr. Aditya Poddar	
1	Independent Directors					
	Fee for attending board / committee Meetings	62,500	1,12,500	10,000	1,07,500	2,92,500
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	62,500	1,12,500	10,000	1,07,500	2,92,500
2	Other Non-Executive Directors					
	Fee for attending board / committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	62,500	1,12,500	10,000	1,07,500	2,92,500
	Total Managerial Remuneration	-	-	-	-	8,44,255
	Overall Ceiling as per the Act*	-	-	-	-	-

*All the Independent Directors have been paid only sitting fees for attending board meetings 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 : NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	Total
1	Gross Salary		
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
(b)	Value of perquisites u/s 17(2) 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)	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give Details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other officers in default					
Penalty					
Punishment					
Compounding					

Annexure - 4

Disclosure of the particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of energy			
(i)	the steps taken or impact on conservation of energy		NONE
(ii)	the steps taken by the Company for utilising alternate sources of energy		NONE
(iii)	the capital investment on energy conservation equipments		NONE
B. Technology Absorption			
(i)	Efforts made towards technology absorption		NONE
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution		NONE
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)	The Company has not imported technology during the last three years	
(iv)	The expenditure incurred on Research and Development		NIL
C. Foreign Exchange Earnings & outgo		2014-15 (₹)	2013-14 (₹)
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	NIL	NIL

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian real estate sector is one of the most globally recognised sectors. In the country, it is the second largest employer after agriculture. It comprises four sub sectors – housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The year 2014-15 has been a mixed one for the real estate sector. The election of stable government at the Centre boosted investor sentiment and confidence. The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. Some of them are as follows:

- ◀ The Union Budget 2014-15 has announced a mission to provide a roof for each family under the “housing for all” scheme by 2022. It is targeted to complete 2 crore houses in urban areas and 4 crore houses in rural areas.
- ◀ The government has notified the regulations for real estate investments trusts or REITs. These trusts will not only provide liquidity to developers but also enable easier exits. Some of the stringent measures proposed in the earlier version of REIT guidelines have been relaxed to make these instruments competitive globally. However its impact is still to be felt by the industry.
- ◀ FDI rules governing real estate sector has been rationalized. The government has allowed foreign direct investment of up to 100% under the automatic route in real estate projects. This will be for housing, townships, commercial and industrial construction to boost infrastructure activities in India. The minimum floor area required for foreign direct investment (FDI) in projects has been reduced from 50,000 square metres (sq m) to 20,000 sq m. It has also reduced the minimum capital required from \$10 million to \$5 million, making more projects eligible for FDI. This will help boost urbanisation, especially in tier-2 and tier-3 cities, which were struggling to develop large projects. It has also done away with the three-year lock-in period for FDI.
- ◀ The government announced some key reductions in direct tax structure in the interim budget. The tax benefits for consumers and housing loan borrowers were the main demand from the industry to stimulate the sector. The increase in exemption limit from ₹ 2 Lacs to ₹ 2.5 Lacs will help household savings. Additionally, the limit on home loan interest has been raised from ₹ 1.5 Lacs to ₹ 2 Lacs. Increased savings coupled with increased tax benefit will go a long way in motivating home buyers who have been reeling under the pressure of high inflation and high interest rates.
- ◀ The Union Cabinet on April 8, 2015 gave its approval to the much awaited modifications to Real Estate (Regulation and Development) Bill, 2013 that seeks to regulate the country’s property market.
- ◀ The government plans to develop 100 smart cities over the next 20 years for which an initial allocation of ₹ 7,060 Crores was provided for in the 2014-15 Union Budget.

All these measures have led to a rise in confidence among investors, developers and end users which are expected to have a positive impact on the future. It will create a better environment for growth of real estate, backed by a strong economy and consumer confidence.

OPPORTUNITIES AND THREATS

With the series of announcements and forming of stable government at the Centre, the Indian real estate sector seems poised for growth. Rapid urbanisation, fast-growing middle class, economic growth and lowering of interest rates is sure to boost demand in 2015-16.

Having said that, “realty” on the ground is not moving with the same pace as the talks. The sector has been demanding a single window clearance to improve ease of doing business, which still remains to be implemented by the Government. Everyone is awaiting the full policy announcement on small cities concept so that this wonderful initiative can be put in place in full. It will not be out of place to mention that until and unless industry status is granted to the real estate sector, this sector will face severe difficulties in raising cheaper funds.

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 for Building 1A & 2. As on 31st March, 2015, your Company has been able to sell around 81% of its Units in the said Project.

The Company is exploring opportunities to harness the resources of the Company in a meaningful and risk free manner.

RISKS AND CONCERNS

Your Company operates in an environment which is effected by various factors some of which are beyond its control. The management periodically reviews the control mechanisms in place, so that risks can be minimized to the optimum.

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 statement as important factors could influence the Company's operations such as Government policies, local, political and economic development, risk inherent to the Company and such other factors.

Report on Corporate Governance

CORPORATE GOVERNANCE

Sound Corporate Governance practices are guided by culture, conscience and mindset of an organization and are based on principles of openness, fairness, professionalism, transparency and accountability with an aim to build confidence of its various stakeholders and paving way for its long-term success. Achievement of excellence in good Corporate Governance practices requires continuous efforts and focus on its resources, strengths and strategies towards ensuring fairness and transparency in all its dealings with its stakeholders including society at large.

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 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 Company has an optimum composition of Board of Directors in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges. The Board, as on 31st March, 2015, consists of 5 Directors out of which 4 Directors are Independent Directors.

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

Sl. No.	Name of Directors & DIN	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)	Additional Director	Non-Executive Independent
4	Mr. Aditya Poddar (DIN : 00646898)	Director	Non-Executive Independent
5	Mr. Sandeep Jhunjhunwala^ (DIN : 06433099)	Manager & CFO	Executive

*Appointed as Director w.e.f. 31st March, 2015.

^ Appointed as CFO w.e.f. May 25, 2015.

Board Meetings & Procedure

The Board ensures that the Company's reporting and disclosure practices meet highest standards of Corporate Governance and that the business practices followed by the Company are oriented towards meeting obligations towards various stakeholders and enhancing shareholders value.

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 the Board members backed by comprehensive background information to enable them to take appropriate decisions. In addition to the information required under Annexure X to the Revised Clause 49 of the Listing Agreement, the Board is also kept informed of major events wherever necessary.

Number and dates of Board Meetings held during the year

Six Board meetings were held during the financial year on 21st May, 2014, 14th August, 2014, 30th September, 2014, 12th November, 2014, 13th February, 2015 and 31st March, 2015. Details of board meetings held during the financial year and the number of Directors present are listed below:

Sl. No.	Date of Board Meeting	Total strength of the Board	No. of Directors present
1.	May, 21, 2014	5	4
2.	August 14, 2014	5	3
3.	September 30, 2014	5	4
4.	November 12, 2014	5	4
5.	February 13, 2015	4	4
6.	March 31, 2015	5	4

The maximum time gap between any two meetings was less than 120 days as stipulated under Clause 49.

Attendance at aforesaid Board Meetings, at the last Annual General Meeting and the number of Directorships and Committee Memberships / Chairmanship in other companies of each of the Directors as on 31st March, 2015 are below:-

Name of Director	Attendance at meetings during 2014-15		Number of other Directorships as on March 31, 2015 ⁽¹⁾	No. of Membership(s) / Chairmanship(s) of Board Committees in other companies as on March 31, 2015 ⁽²⁾
	Board	AGM		
Mr. Abhijit Datta	5	Yes	4	4 (including 3 as Chairman)
Mr. Hari Mohan Marda	6	Yes	7	3
Mrs. Karabi Sengupta@	1	N.A.	1	-
Mr. Aditya Poddar	5	Yes	-	-
Mr. Sandeep Jhunjunwala	6	Yes	-	-
Mr. Amar Bhalotia*	-	No	-	-

(1) Excluding Alternate directorships and directorships in the Foreign Companies, Section 8 Companies and Private Limited Companies.

(2) Includes only Audit Committee and Stakeholders' Relationship Committee.

@ Appointed w.e.f. March 31, 2015.

* Ceased to be a Director w.e.f. February 13, 2015.

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 Clause 49 of the Listing Agreement, across all the companies in which he is a Director.

None of the Independent Directors is acting as an Independent Director in more than 7 listed companies.

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 statutory and non-statutory Committees:

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

Audit Committee

As on March 31, 2015, the Committee consists of 3 Directors, who bring with them vast experience in the field of operations, finance and accounts. The Committee comprises of:

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

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 5th September, 2014.

The Committee's composition and its terms of reference meet the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Audit Committee is empowered, pursuant to its terms of reference, inter-alia, to:

- ▶▶ Investigate any activity within its terms of reference
- ▶▶ Seek information from any employee
- ▶▶ Obtain outside legal or other professional advice
- ▶▶ Secure attendance of outsiders with relevant expertise, if it considers necessary
- ▶▶ Have full access to information contained in the records of the Company.

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 performs the following functions:

1. 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.
2. Recommending to the Board, the appointment, re-appointment, remuneration, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements 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 (clause (2AA) of Section 217 of the Companies Act, 1956)
 - 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. Qualifications in the draft audit report.
5. Examination of financial statements and the auditors' report thereon.
6. Approval or any subsequent modification of transactions with related parties.
7. Scrutiny of inter-corporate loans and investments.
8. Valuation of undertaking or assets of the Company, wherever necessary.

9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
10. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
11. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
12. Reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems.
13. 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.
14. Discussion with internal auditors any significant findings and follow up there on.
15. 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.
16. Evaluation of internal financial controls and risk management systems.
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
18. 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.
19. To review the functioning of the Whistle Blower Mechanism.
20. 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 & background, etc. of the candidate.
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

During the financial year ended 31st March 2015, Audit Committee met 4 times on May 21, 2014, August 14, 2014, November 12, 2014 and February 13, 2015. The details of the number of meetings held and attendance of the directors thereat is given herein below:

Name of Directors	No. of Meetings held	No. of Meetings Attended
Mr. Hari Mohan Marda	4	4
Mr. Aditya Poddar	4	4
Mr. Amar Bhalotia *	4	NIL
Mr. Sandeep Jhunjunwala	4	4

* Ceased to be a member of the Committee w.e.f. February 13, 2015.

Stakeholders' Relationship Committee

As on 31st March 2015, the Committee comprises of:

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

The Committee was re-named as Stakeholders' Relationship Committee on May 21, 2014 to align with the requirements of Section 178 of the Companies Act, 2013. The composition and the terms of reference of the Committee meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013. The Company Secretary acts as Secretary to the Committee.

During the period under review, only 1 meeting was held on 24th December, 2014. All the then members of the Committee except Mr. Amar Bhalotia were present at the said meeting. Mr. Amar Bhalotia ceased to be a member of the Committee w.e.f. February 13, 2015.

The Committee looks into redressal of Shareholders'/Investors' complaints like transfer of shares, non-receipt of declared dividend, non-receipt of annual report etc., besides complaints from SEBI, Stock Exchange and Registrar of Companies etc.

The details of complaints resolved during the year ended March 31, 2015 are as follows:

Nature of complaints	Received	Resolved	Closing
Annual Report related	2	2	-
Share Certificate related	2	2	-

Compliance Officer

Mr. Anand R. Mundra resigned from the office of Company Secretary w.e.f March 31, 2015. The Board in its meeting held on March 31, 2015 appointed Mr. Sandeep Jhunjunwala as the Compliance Officer of the Company for complying with the requirements of Securities Laws and Listing Agreements with the Stock Exchanges.

Business Re-organisation/Restructuring Committee

As on 31st March 2015, the Committee comprises of:

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

The Company Secretary acts as Secretary to the Committee.

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

Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors in their meeting held on May 21, 2014 in accordance with the requirements of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014.

The Committee comprises of:

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

The composition and the terms of reference of the Committee meet with the requirements of the Companies Act, 2013. The Company Secretary acts as Secretary to the Committee.

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

- ▶▶ To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule-VII of the Act;
- ▶▶ To recommend the amount of expenditure to be incurred on the CSR activities in a financial year;
- ▶▶ To monitor the CSR Policy of the Company from time to time;
- ▶▶ To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
- ▶▶ Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company;

- ▶▶ To carry out any other function as is mandated by Board from time to time and/or enforced by any statutory notification or modification as may be necessary or appropriate for performance of its duties.

During the year under review, 1 meeting was held on 29th October, 2014. All the Members of the Committee were present in the meeting.

Nomination & Remuneration Committee

The Committee comprises of:

Sl. No.	Name	Category	Designation
1.	Mr. Hari Mohan Marda	Non-Executive Independent	Chairman
2.	Mr. Abhijit Datta	Non-Executive Independent	Member
3.	Mr. Aditya Poddar	Non-Executive Independent	Member

The Committee was constituted by the Board of Directors in their meeting held on May 21, 2014 in terms of section 178 of the Companies Act, 2013. The composition and the terms of reference of the Committee meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

Mr. Amar Bhalotia ceased to be a member of the Committee w.e.f. February 13, 2015. The Company Secretary acts as Secretary to the Committee.

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

- ▶▶ To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal;
- ▶▶ To formulate criteria for and carry out evaluation of Independent Directors and the Board;
- ▶▶ To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- ▶▶ To device a policy on Board diversity;
- ▶▶ 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, only 1 meeting was held on 13th February, 2015. All the then members of the Committee except Mr. Amar Bhalotia were present in the meeting.

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 2** 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 2014-15 and their shareholding in the Company are as follows:

Name of the Directors	Sitting Fees (₹)	No. of shares held as on 31.03.2015
Mr. Abhijit Datta	62,500	NIL
Mr. Hari Mohan Marda	1,12,500	NIL
Mrs. Karabi Sengupta [^]	10,000	NIL
Mr. Aditya Poddar	1,07,500	NIL

[^] Appointed as Director w.e.f. 31st March, 2015.

No commission was paid to Directors during the year ended 31st March 2015.

- b) Details of remuneration paid to Mr. Sandeep Jhunjunwala as Director & Manager, for the period from January 01, 2015 to March 31, 2015 are as under:

(₹)

Basic Salary	3,00,000
House Rent Allowance	1,50,000
Children Allowance	600
Special Allowance	57,600
Bonus	2,100
Benefits Paid	41,455
Total	5,51,755

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.

INDEPENDENT DIRECTORS' MEETING

During the period under review, Independent Directors met on 30th March, 2015, inter-alia, to discuss:

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

All the Independent Directors were present in the meeting.

GENERAL BODY MEETINGS

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

Year	Date & time	Special resolution passed
2013-14	September 05, 2014 at 3.15 P.M.	1) Authority to the Board to borrow upto ₹ 200 Crores under Section 180(1)(c) of the Companies Act, 2013; 2) Authority to the Board to make investment upto ₹ 225 Crores under Section 186 of the Companies Act, 2013.
2012-13	August 12, 2013 at 2.30 P.M.	NONE
2011-12	September 21, 2012 at 2.30 P.M.	NONE

- No extra-ordinary general meeting of the shareholders was held during the year.
- No Special Resolution was passed through postal ballot during the financial year 2014-15.
- None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a resolution through postal ballot.

DISCLOSURES

1. Related party transactions:

All contracts with our affiliates entered into during the said period 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. 21 to the Financial Statements.

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. Accounting treatment in preparation of financial statement:

The financial statements have been 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 read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the Act (to the extent notified)

4. Whistle Blower Policy:

The Company has formed a Whistle Blower Policy/ Vigil Mechanism as required under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. 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: http://www.emamirealty.com/policy_zandu.php.

None of the officials/personnel of the Company has been denied access to the Audit Committee. The Vigilance Officer / Chairman of Audit Committee has not received any complaint during the financial year ended 31st March, 2015.

5. Compliance with Clause 49 of the Listing Agreement:

The Company has complied with the mandatory requirements of the Clause 49 of the Listing Agreement. The Company has adopted the following non-mandatory requirements of Clause 49 of Listing Agreement:

i. Audit Qualification :

The Company is in the regime of unqualified financial statements.

ii. Reporting of Internal Auditor :

The Internal Auditor directly reports to the Audit Committee

CODE OF CONDUCT

The Board has laid down the Code of Conduct for its Members and designated Senior Management Personnel of the Company. The Code has been posted on the Company's website www.emamirealty.com. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

CEO/CFO CERTIFICATION

In terms of requirement of Clause 49(IX) of the Listing Agreement, CEO/CFO of the Company have certified to the Board regarding financial statements for the year ended March 31, 2015.

MEANS OF COMMUNICATION

- i) Publication of results: The Company publishes its quarterly and annual results in newspapers such as "Financial Express", "Ek Din" and "El Samay". The same are also submitted to the Stock Exchanges.
- ii) 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.
- iii) 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	:	September 09, 2015
Time	:	3.15 P.M.
Venue	:	Emami Tower, 687 Anandapur, E. M. Bypass, Kolkata 700 107

ii. Financial Calendar

Financial year - 1st April, 2015 to 31st March, 2016

Financial Reporting for the Year 2015-16:

Particulars	Quarter/year ending	Tentative Schedule*
Unaudited Financial Results (1st Quarter)	Q.E. 30.06.2015	On or before August 14, 2015
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2015	On or before November 14, 2015
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2015	On or before February 14, 2016
Audited Financial Results (4th Quarter/Annual)	Y.E. 31.03.2016	On or before May 30, 2016

* Tentative and subject to change.

iii. **Book closure Dates** : September 03, 2015 to September 09, 2015
(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 2015-16 to BSE & NSE have been paid.

vi. **Stock Code** : Trading symbol
BSE Limited - 506720
NSE - ZANDUREALT

Demat ISIN No. : ISIN No. : INE719A01017

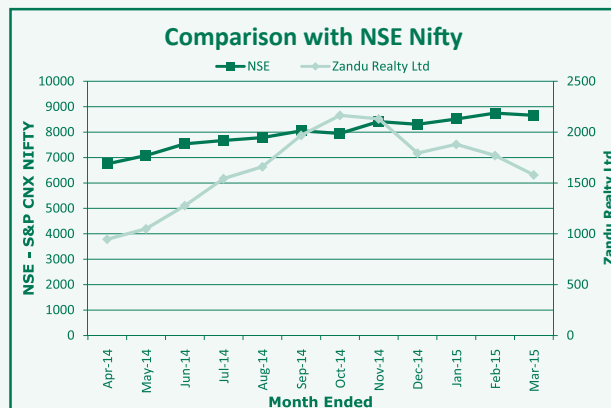
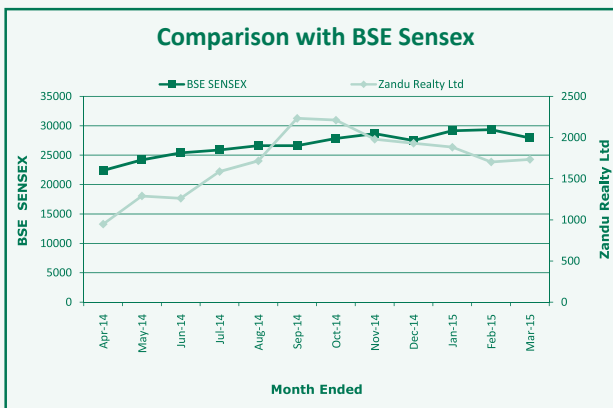
Corporate Identity No. : L24239WB1919PLC136397

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	High	Low
April, 2014	1,051.00	884.70	1,048.00	821.00
May, 2014	1,435.30	882.00	1,447.05	886.00
June, 2014	1,400.00	1,200.00	1,404.95	1,197.00
July, 2014	1,765.00	1,242.00	1,765.00	1,239.00
August, 2014	1,867.80	1,460.00	1,867.80	1,530.00
September, 2014	2,333.00	1,711.20	2,329.00	1,705.15
October, 2014	2,309.70	2,062.00	2,314.00	2,068.00
November, 2014	2,360.00	1,963.20	2,369.00	1,953.70
December, 2014	2,051.00	1,571.00	2,049.90	1,570.00
January, 2015	2,044.00	1,823.00	2,044.00	1,815.00
February, 2015	1,957.35	1,661.00	1,954.00	1,659.95
March, 2015	1,777.75	1,317.50	1,780.00	1,323.00

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.

6, Mangoe Lane, 2nd Floor

Kolkata – 700 001

Tel No.: (033) 2243 5809 / 5029

Fax No.: (033) 2248 4787

Email Id : mdpl@cal.vsnl.net.in

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 2015:

a. Distribution of Shareholding:

Shareholding	Holders	%age	No. of shares	%age
Upto 500	27,152	99.70	3,56,039	44.15
501 to 1,000	48	0.18	31,755	3.94
1,001 to 2,000	18	0.07	25,412	3.15
2,001 to 3,000	2	0.01	4,992	0.62
3,001 to 4,000	2	0.01	7,486	0.93
4,001 to 5,000	3	0.01	14,196	1.76
5,001 to 10,000	4	0.01	26,991	3.35
10,001 and above	4	0.01	3,39,529	42.10
Total	27,233	100.00	8,06,400	100.00

b. Shareholding Pattern:

Sl. No.	Description	No. of shares	%age of capital
I.	Promoter and Promoter group	2,86,329	35.51
II.	Public Shareholding		
1.	Institutions:		
(a)	Financial Institutions/Banks	2,273	0.28
2.	Non-Institutions:		
(a)	Bodies Corporate	92,381	11.46
(b)	Individuals	4,01,069	49.73
(c)	Non Resident Individual	16,959	2.10
(d)	Clearing Member	7,389	0.92
	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 2015, 7,77,804 shares of the Company, aggregating to 96.45% of the paid up share capital of the Company was held in dematerialised 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. Plant Locations:

Not Applicable

xv. Address For Correspondence:

For any assistance, queries regarding transfer or transmission of shares, dematerialization, non-receipt of dividend, non-credit of shares in demat account and any other query relating to the shares of the Company and Annual Report, the shareholders may write to the following:

- (i) Zandu Realty Limited
Emami Tower, 2nd Floor
687, Anandapur E.M. Bypass
Kolkata - 700 107
Tel No. : (033) 6613 6264
Fax No. : (033) 6613 6249
E-mail : investors@emamirealty.com
- (ii) Registrar and Share Transfer Agent
Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor
Kolkata - 700 001
Tel No. : (033) 2243 5809 / 5029
Fax No. : (033) 2248 4787
E-mail : mdpl@cal.vsnl.net.in

CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, 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 2014-15.

Place : Kolkata
Date : May 25, 2015

For **Zandu Realty Limited**

Sandeep Jhunjunwala
Manager & CFO

CERTIFICATE OF COMPLIANCE FROM AUDITORS AS STIPULATED UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

To
The Members of
Zandu Realty Limited

We have reviewed the records of Zandu Realty Limited for the year ended on March 31, 2015 relating to compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreements of the Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our review 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 state that to the best of our knowledge the Company has complied with the conditions of Corporate Governance stipulated in Clause 49 of the above mentioned Listing Agreements.

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.

Place : Kolkata
Dated : May 25, 2015

For **S. K. AGRAWAL & CO.**
Chartered Accountants
Firm Registration No. 306033E

Radhakrishan Tondon
Partner
Membership No. 060534

CEO/CFO CERTIFICATION

To
Board of Directors
Zandu Realty Limited

1. We have reviewed the financial statements and the cash flow statement of Zandu Realty Limited for the year ended March 31, 2015 and that to the best of our knowledge and belief, we state that:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and necessary steps have been taken to rectify these deficiencies.
4. We have indicated to the Auditors and Audit Committee:
 - (a) Significant changes, if any, in internal control over the financial reporting during the year;
 - (b) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

For **Zandu Realty Limited**

Place : Kolkata
Date : May 25, 2015

Hari Mohan Marda
Director

Sandeep Jhunjunwala
Manager & CFO

Independent Auditors' 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, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the 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 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 judgement, 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 but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.

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, 2015, and its profits and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, 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 the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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 financial statements disclose the impact of pending litigations on the financial position of the Company - Refer Note No. 23 to the financial statements.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There is no such sum which is required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S. K. AGRAWAL & CO.**
Chartered Accountants
Registration No. 306033E

Radhakrishnan Tondon
Partner
Membership No: 060534

Place: Kolkata
Date: 25th May, 2015

Annexure to the Independent Auditors' Report

- i. The Company does not have any fixed assets and accordingly this clause of the Order is not applicable to the Company.
- ii.
 - a. As explained to us, land under development held by the Company has been physically verified during the year by the management at the reasonable intervals.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventory. As explained to us, there was no material discrepancies noted on physical verification of inventories as compared to Book Records.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and for the sale of goods. We have not observed any continuing failure to correct major weaknesses in the internal control system.
- v. The Company has not accepted any deposits as defined under section 73 of the Companies Act, 2013.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Act, and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained.

vii. According to the information and explanations given to us in respect of statutory and other dues:

- a) The Company has been regular in depositing undisputed statutory dues, including Investor Education and Protection Fund, Income Tax, Sales Tax, Service Tax, Cess and other Statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, there were no undisputed amount payable in respect of these statutory dues which have remained outstanding as at 31st March 2015 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are no disputed dues in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax, Cess except the following:

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

- c) According to the information and explanations given to us, there was no amount required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act 1956 and rules thereunder.

- viii. The Company does not have accumulated losses exceeding fifty percent of its net worth at the end of the financial year and the Company has not incurred cash losses during the current and the immediately preceding financial year.
- ix. Based on our audit procedures and on the basis of information and explanation given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks during the year.
- x. According to the information and explanation given to us, the Company has not given guarantees for loan taken by others from a bank or financial institution.
- xi. To the best of our knowledge and belief and according to the information and explanations given to us, the term loan availed by the Company were applied for the purpose for which the loans were obtained during the year.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **S. K. AGRAWAL & CO.**
Chartered Accountants
Registration No. 306033E

Radhakrishan Tondon
Partner
Membership No: 060534

Place: Kolkata
Date: 25th May, 2015

Balance Sheet as at 31st March, 2015

(₹)

	Note	As at 31.03.2015		As at 31.03.2014	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	2	8,06,40,000		8,06,40,000	
Reserves and Surplus	3	1,88,68,89,626	1,96,75,29,626	2,04,98,99,239	2,13,05,39,239
Current Liabilities					
Short - Term Borrowing	4	35,00,00,000		-	
Other Current Liabilities	5	58,95,172		45,32,50,302	
Short - Term Provision	6	-	35,58,95,172	10,70,69,330	56,03,19,632
TOTAL			2,32,34,24,798		2,69,08,58,871
ASSETS					
Non - Current Assets					
Non - Current Investments	7	1,35,20,60,000		1,25,20,60,000	
Long - Term Loans and Advances	8	7,20,000	1,35,27,80,000	-	1,25,20,60,000
Current Assets					
Inventories	9	21,69,30,000		1,04,25,09,000	
Trade Receivable	10	3,35,65,841		4,56,50,596	
Cash and Bank Balances	11	3,35,91,811		3,44,48,900	
Short - Term Loans and Advances	12	68,65,57,146	97,06,44,798	31,61,90,375	1,43,87,98,871
TOTAL			2,32,34,24,798		2,69,08,58,871
Summary of Significant Accounting Policies and Notes to Accounts	1 to 27				

As per our report of even date

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

Chartered Accountants

Firm Registration No. 306033E

Radhakrishan Tondon

Partner

Membership No. 060534

Place : Kolkata

Date : 25th May, 2015

Karabi Sengupta

Director

For and on behalf of the Board of Directors

Abhijit Datta

Chairman

Hari Mohan Marda

Director

Aditya Poddar

Director

Sandeep Jhunjhunwala

Manager & CFO

Statement of Profit & Loss for the year ended 31st March, 2015

(₹)

Particulars	Note	2014-15	2013-14
INCOME			
Revenue from Operation	13	86,91,06,000	29,04,00,000
Other Income	14	86,75,69,133	27,43,89,811
Total Revenue (I)		1,73,66,75,133	56,47,89,811
EXPENSES			
(Increase)/Decrease in Inventories	15	82,55,79,000	4,77,99,000
Employee Benefits Expense	16	5,10,300	-
Finance Cost	17	2,15,62,071	34,15,359
Other Expenses	18	7,32,56,018	1,80,59,533
Total Expenses (II)		92,09,07,389	6,92,73,892
Profit before tax (I-II)		81,57,67,744	49,55,15,919
Tax Expenses			
Current Tax		17,23,00,000	12,95,60,000
Earlier Year Income Tax (net)		7,20,292	(1,83,65,132)
Profit for the period		64,27,47,452	38,43,21,051
Earnings per equity share of face value of ₹ 100/- each			
Basic & Diluted	19	797.06	476.59
Summary of Significant Accounting Policies and Notes to Accounts	1 to 27		

As per our report of even date

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

Chartered Accountants

Firm Registration No. 306033E

Radhakrishnan Tondon

Partner

Membership No. 060534

Place : Kolkata

Date : 25th May, 2015

Karabi Sengupta

Director

For and on behalf of the Board of Directors

Abhijit Datta

Chairman

Hari Mohan Marda

Director

Aditya Poddar

Director

Sandeep Jhunjhunwala

Manager & CFO

Cash Flow Statement for the year ended 31st March, 2015

(₹)

	2014-15	2013-14
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	81,57,67,744	49,55,15,919
Adjustments for:		
Dividend on Long Term Non Trade Investments	(45,55,042)	(38,185)
Interest on Loan Given	(5,63,87,130)	(11,81,769)
Interest on Fixed Deposits	-	(1,27,123)
Interest Expenses	1,79,01,934	34,15,359
Proportionate transfer from Revaluation Reserve	(80,57,57,065)	(26,74,08,464)
Operating Profit before Working Capital Changes	(3,30,29,559)	23,01,75,737
Adjustments for:		
(Decrease)/Increase in Other Current Liabilities	(44,40,71,362)	44,29,06,645
Decrease/(Increase) in Inventories	82,55,79,000	4,77,99,000
Decrease/(Increase) in Trade Receivable	1,20,84,755	(4,56,50,596)
(Increase) in Long - Term Loans and Advances	(7,20,000)	-
Decrease/(Increase) in Short - Term Loans and Advances	24,58,673	(96,69,108)
Cash Generated from Operations	36,23,01,507	66,55,61,678
Direct Taxes paid	(29,21,82,997)	(93,82,457)
Net Cash Flow from Operating Activities (A)	7,01,18,510	65,61,79,221
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Long - Term Non Trade Investment	(10,00,00,000)	(33,70,00,000)
Dividend on Long Term Non Trade Investment	45,55,042	38,185
Interest on Fixed Deposits	-	1,27,123
Interest on Loan Given	3,88,55,061	46,66,894
Loans/Deposits to Corporate Bodies	(1,11,20,00,000)	(42,75,00,000)
Realisation of Loans/Deposits from Corporate Bodies	76,88,00,000	13,25,00,000
Net Cash Flow from Investing Activities (B)	(39,97,89,897)	(62,71,67,798)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-Term Borrowings	35,00,00,000	19,71,00,000
Repayment of Short-Term Borrowings	-	(19,71,00,000)
Interest Paid	(2,11,85,702)	(1,31,591)
Net cash flow from Financing Activities (C)	32,88,14,298	(1,31,591)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(8,57,089)	2,88,79,832
Cash and Cash Equivalents at the beginning of the year *	3,44,48,900	55,69,068
Cash and Cash Equivalents at the end of the year *	3,35,91,811	3,44,48,900

* Represents Cash and Bank Balances as indicated in Note 11

As per our report of even date

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

Chartered Accountants

Firm Registration No. 306033E

Radhakrishan Tondon

Partner

Membership No. 060534

For and on behalf of the Board of Directors

Abhijit Datta

Chairman

Hari Mohan Marda

Director

Notes to Financial Statements

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Basis of preparation

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

II. Use of estimates

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

III. Fixed Assets

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

IV. Depreciation

Depreciation on fixed assets is provided on the basis of the useful lives as provided in the Schedule II to the Companies Act 2013, being applicable from 1st April 2014.

V. Investments

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

VI. Inventories

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

VII. Revenue Recognition

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

VIII. Provisions and Contingent Liabilities

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

IX. Borrowing Costs

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

X. Taxation

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

XI. Employee Benefits

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

XII. Impairment of Assets

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

XIII. Earning per share

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

XIV. Segment Reporting

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

XV. Cash and Cash Equivalents

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

(₹)

		As at 31st March, 2015	As at 31st March, 2014
Note 2	SHARE CAPITAL		
	Authorized Shares		
	20,00,000 Equity Shares of ₹100/- each.	20,00,00,000	20,00,00,000
	Issued, subscribed & fully paid-up shares		
	8,06,400 Equity Shares of ₹100/- each	8,06,40,000	8,06,40,000
		8,06,40,000	8,06,40,000

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

Equity Shares	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
At the beginning of the period	8,06,400	8,06,40,000	8,06,400	8,06,40,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	8,06,400	8,06,40,000	8,06,400	8,06,40,000

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, 2015		As at 31st March, 2014	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of ₹100 each fully paid				
Emami Rainbow Niketan Private Limited, Associate	2,86,329	35.51%	2,86,329	35.51%

(₹)

	As at 31st March, 2015	As at 31st March, 2014
Note 3 RESERVES & SURPLUS		
Revaluation Reserve		
At the beginning of the year	1,01,74,78,157	1,28,48,86,621
Less: Amount transferred to Statement of Profit & Loss	80,57,57,065	26,74,08,464
Closing Balance	21,17,21,092	1,01,74,78,157
General Reserve	1,16,48,88,052	1,16,48,88,052
Surplus/(deficit) in the Statement of Profit and Loss		
At the beginning of the year	(13,24,66,970)	(51,67,88,021)
Add: Surplus/(deficit) transferred from Statement of Profit & Loss	64,27,47,452	38,43,21,051
Net surplus/(deficit) in the Statement of Profit & Loss	51,02,80,482	(13,24,66,970)
Total Reserves and Surplus	1,88,68,89,626	2,04,98,99,239
Note 4 SHORT - TERM BORROWING		
Secured		
Loans from Bank (Refer Note No. 24)	35,00,00,000	-
	35,00,00,000	-
Note 5 OTHER CURRENT LIABILITIES		
Interest accrued and due on borrowings	-	32,83,768
Unclaimed Dividend	15,17,325	28,69,530
Advances from Customers	-	42,75,47,446
Liabilities for Expenses	11,52,303	1,45,63,279
Others Payable :		
- Duties & Taxes	32,25,544	49,86,279
	58,95,172	45,32,50,302
Note 6 SHORT - TERM PROVISION		
Provision for Taxation (Net of advance tax)	-	10,70,69,330
	-	10,70,69,330
Note 7 NON - CURRENT INVESTMENTS (Long-Term Investment)		
A. TRADE INVESTMENTS		
i. Investments in Debentures - Unquoted fully paid up		
Emami Buildcon Private Limited *	22,50,00,000	22,50,00,000
45 Optionally Fully Convertible Debentures of ₹50,00,000/- each		
Emami Estates Private Limited *	25,00,00,000	25,00,00,000
25 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each		
Emami Home Private Limited *	30,00,00,000	30,00,00,000
30 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each		
	77,50,00,000	77,50,00,000

	(₹)	
	As at 31st March, 2015	As at 31st March, 2014
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	50,000	50,000
The Saraswat Co-op. Bank Limited 1,000 Equity Shares of ₹10/- each	10,000	10,000
Emami Agrotech Limited 10,00,000 Equity Shares of ₹10/- each	6,50,00,000	6,50,00,000
Natural Synergies Limited 4,16,750 Equity Shares of ₹10/- each	41,67,500	41,67,500
	6,92,27,500	6,92,27,500
Less: Provision for Diminution in value of Investments	41,67,500	41,67,500
	6,50,60,000	6,50,60,000
ii. Investments in Preference Shares - Unquoted fully paid up		
Emami Paper Mills Limited # 12,80,000 (10,30,000) 8% Cumulative Redeemable Non-convertible Preference Shares of ₹100/- each	51,20,00,000	41,20,00,000
	51,20,00,000	41,20,00,000
	1,35,20,60,000	1,25,20,60,000
Aggregated amount of unquoted investments	1,35,20,60,000	1,25,20,60,000

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

Name of the Issuing Company	No. of OCDs	Date of Allotment
Emami Buildcon Private Limited	45	30.01.2013
Emami Estates Private Limited	25	22.01.2013
Emami Home Private Limited	30	07.03.2013

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

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

	(₹)	
	As at 31st March, 2015	As at 31st March, 2014
Note 8 LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposit	7,20,000	-
	7,20,000	-
Note 9 INVENTORIES		
Land under Development	15,80,50,649	1,04,25,09,000
Finished Goods	5,88,79,351	-
	21,69,30,000	1,04,25,09,000

(₹)

	As at 31st March, 2015	As at 31st March, 2014
Note 10 TRADE RECEIVABLE		
(Secured, considered good)		
Less than six months - Others	3,35,65,841	4,56,50,596
	3,35,65,841	4,56,50,596
Note 11 CASH AND BANK BALANCES		
Cash and Cash Equivalents :		
- Balances with banks	3,20,47,001	3,15,53,476
- Cash in hand	27,485	25,894
Other Bank balances :		
- Unclaimed Dividend	15,17,325	28,69,530
	3,35,91,811	3,44,48,900
Note 12 SHORT - TERM LOANS AND ADVANCES		
(Unsecured considered good)		
Loans to Other Body Corporates	65,67,95,661	29,60,63,592
Advance Income Taxes (Net of provisions)	1,20,93,375	-
Debenture Application Money	-	18,00,000
Service Tax Credit Receivable	68,60,404	75,58,333
Income Tax Receivable	1,02,06,650	1,02,06,650
Other Receivable	6,01,056	5,61,800
	68,65,57,146	31,61,90,375
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Note 13 REVENUE FROM OPERATION		
Sale of Property (Refer Note No. 20)	86,88,00,000	29,04,00,000
Other Operating Income	3,06,000	-
	86,91,06,000	29,04,00,000
Note 14 OTHER INCOME		
Interest Income		
- Loan Given	5,63,87,130	11,81,769
- Fixed Deposit	-	1,27,123
- Income Tax	-	14,63,306
Dividend from Long-Term Non Trade Investments	45,55,042	38,185
Commission	6,89,881	3,38,192
Miscellaneous Receipts	1,80,015	38,32,772
Proportionate transfer from Revaluation Reserve (Refer Note No. 20)	80,57,57,065	26,74,08,464
	86,75,69,133	27,43,89,811

(₹)

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Note 15 (INCREASE)/DECREASE IN INVENTORIES		
I. Opening Stock		
Land under Development	1,04,25,09,000	1,09,03,08,000
Finished Goods	-	-
	1,04,25,09,000	1,09,03,08,000
II. Closing Stock		
Land under Development	15,80,50,649	1,04,25,09,000
Finished Goods	5,88,79,351	-
	21,69,30,000	1,04,25,09,000
Net (Increase) / Decrease (I-II)	82,55,79,000	4,77,99,000
Note 16 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	5,10,300	-
	5,10,300	-
Note 17 FINANCE COST		
Interest Expenses	1,79,01,934	34,15,359
Other Borrowing Cost	36,60,137	-
	2,15,62,071	34,15,359
Note 18 OTHER EXPENSES		
Advertisement & Publicity	79,565	1,05,394
Electricity Charges	4,47,442	5,49,359
Rent	14,89,035	16,29,426
Repair to Others	9,91,976	13,54,692
Rates and Taxes	17,931	54,081
Legal & Professional Fees	50,05,380	27,50,978
Directors' Sitting Fees (Refer Note 21)	2,92,500	2,32,500
Brokerage	10,50,000	-
Travelling & Conveyance	5,45,570	1,28,284
Donation	4,37,00,000	1,50,000
Service Charges	1,80,00,000	96,00,000
Miscellaneous Expenditures	13,81,619	13,10,819
Auditors Remuneration (Refer Note No. 22)	2,55,000	1,94,000
	7,32,56,018	1,80,59,533

(₹)

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Note 19 EARNINGS PER SHARE (EPS)		
Earnings per Share is calculated as follows:		
Net Profit/(Loss) after tax attributable to Equity Shareholders	64,27,47,452	38,43,21,051
Weighted average number of equity shares Basic and Diluted (in nos.)	8,06,400	8,06,400
Nominal value of equity share	100	100
Basic and Diluted Earnings per share	797.06	476.59

Note 20 Following the accounting policies for revenue recognition, the Company has recognised revenue attributed to 35,755 sq.ft. carpet area in relation to the project at 70 Gokhale Road, Mumbai 400025 and as such the proportionate Revaluation Reserve amounting to ₹ 80,57,57,065/- has been transferred to Statement of Profit and Loss.

Note 21 RELATED PARTY TRANSACTION

i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relationship
Emami Rainbow Niketan Private Limited	Investing Entity to which the Company is an Associate

ii) Key Managerial Personnel & Other Directors:

a) Key Managerial Personnel	
1. Sandeep Jhunjunwala	Director and Manager
2. Anand R. Mundra (upto 30.03.2015)	CEO (Commercial) & Company Secretary
b) Other Directors:	
1. Abhijit Datta	Non-Executive Chairman (Independent)
2. Hari Mohan Marda	Independent Director
3. Karabi Sengupta (w.e.f 31.03.2015)	Independent Director
4. Aditya Poddar	Independent Director

iii) Transactions during the year with related parties:

Nature of Transactions	Key Managerial Personnel & Other Directors	
	31st March, 2015	31st March, 2014
Remuneration Paid	5,51,755	-
Sitting Fees	2,92,500	2,32,500

(₹)

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Note 22 AUDITORS REMUNERATION		
Statutory Audit Fees	1,50,000	1,00,000
Fees for Limited Review & Other Certification	1,05,000	94,000
	2,55,000	1,94,000

Note 23 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF

Disputed Direct Taxes of ₹42,40,427/- net of advances.

Note 24 Borrowings from The Ratnakar Bank Limited is secured by way of hypothecation on receivables of the project at "Zandu Sigma Estates", 70 Gokhale Road, Dadar, Mumbai - 400 025 coupled with the corporate guarantee by the third party. Repayment at the end of one year from date of first disbursement i. e. 16th October, 2014.

Note 25 The Board of Directors of the Company had decided not to proceed further with the proposal of amalgamation of M/S Emami Realty Limited with the Company and accordingly all proceedings in connection therewith have been withdrawn.

Note 26 The Company operates in a single Business Segment i.e. Real Estate Development.

Note 27 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

Radhakrishan Tondon

Partner

Membership No. 060534

Place : Kolkata

Date : 25th May, 2015

For and on behalf of the Board of Directors

Abhijit Datta

Chairman

Hari Mohan Marda

Director

Karabi Sengupta

Director

Aditya Poddar

Director

Sandeep Jhunjunwala

Manager & CFO

Route Map to the venue of the 96th AGM of Zandu Realty Limited



zandu realty limited

CIN : L24239WB1919PLC136397

Registered Office :

Emami Tower, 2nd Floor, 687, Anandapur

E. M. Bypass, Kolkata - 700 107