

emami*
CITY

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Construction by



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Abhijit Datta, *Chairman*
Mr. Hari Mohan Marda
Mr. Ram Gobind Ganeriwala
Mr. Basant Kumar Parakh
Mr. Girija Kumar Choudhary,
Whole-time Director & CFO
Mr. Amar Bhalotia

COMPANY SECRETARY

Ms. Payel Jain

STATUTORY AUDITORS

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

BANKER

ICICI Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Kolkata - 700 001
Phone: +91 33 2243 5809 / 5029
Fax : +91 33 2248 4787
Email: mdpl@cal.vsnl.net.in

REGISTERED & CORPORATE OFFICE

Emami Tower, 2nd Floor
687, Anandapur, E. M. Bypass
Kolkata - 700 107
Phone: +91 33 6613 6264
Fax : +91 33 6613 6249
Website: www.emamirealty.com

CORPORATE IDENTITY NUMBER

L45400WB2008PLC121426

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Directors' Report

Dear Shareholders

Your Directors have pleasure in presenting the 6th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2014.

Financial Results

The performance of the Company for the year ended on 31st March, 2014 is summarised below:

Particulars	(₹ in Lakhs)	
	2013-14	2012-13
Total Revenue	28.99	175.17
Total Expenses	60.51	46.67
Profit / (Loss) Before Taxation	(31.52)	128.50
Current Tax	–	44.29
Profit / (Loss) After Taxation	(31.52)	84.21
Profit Brought Forward	1,319.05	1,234.84
Transfer to General Reserve	–	–
Balance Carried Forward	1,287.53	1,319.05

Dividend

Since your Company has incurred loss this year, your Directors regret their inability to recommend any dividend for the year ended 31st March, 2014.

Review of operations

Your Company is engaged in various projects through its subsidiaries and associates.

The consolidated revenue from operations of your Company for the year ended 31st March, 2014 was ₹ 755.02 Lakhs against loss of ₹ 371.28 Lakhs in the previous year.

The application of most latest, simple and adaptable Mivan Technology in our Project “**Emami City**” has resulted into an effective system of construction satisfactorily and has been widely appreciated by our customers.

Our Project “**Emami Swanlake**” at Kukatpally, Hyderabad is nearing completion and the sales have been satisfactory.

Scheme of Amalgamation of Emami Realty Limited

During the year under review, the Board of Directors have approved amalgamation of its wholly owned subsidiary “M/S Emami Realty Limited” with M/S Zandu Realty Limited with effect from 1st April, 2013 in its meeting held on 8th

July, 2013. Vide Letter dated 2nd May, 2014, BSE Ltd has conveyed to M/S Zandu Realty Limited that the Exchange is unable to grant its “no-objection” to the scheme in view of the observations made by Securities & Exchange Board of India (SEBI). The Company is taking appropriate action in the matter.

Subsidiary Companies

As on 31st March 2014, the Company's subsidiaries and step down subsidiaries are as follows:

1. Emami Realty Limited (wholly-owned subsidiary)
2. Emami Rainbow Niketan Private Limited (wholly-owned subsidiary)
3. Emami Constructions Private Limited (wholly-owned subsidiary of Emami Realty Limited)
4. Sneha Ashiana Private Limited (wholly-owned subsidiary of Emami Realty Limited)
5. Delta PV Private Limited (subsidiary of Emami Realty Limited)
6. New Age Realty Private Limited (subsidiary of Emami Realty Limited)

Financials of subsidiary companies

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other

Directors' Report (Contd.)

documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. The Annual Reports for the financial year 2013-14 of the aforesaid subsidiaries will be made available to the shareholders of the Company upon receipt of written requests from them. The Annual Reports for the financial year 2013-14 of the aforesaid subsidiary companies will also be kept open for inspection by the shareholders at the Registered Office of your Company and of the subsidiaries concerned between 10.30 a.m. to 1.30 p.m. on any working day.

In compliance with the requirements of the MCA Circular, a Statement showing relevant details for the year ended March 31, 2014 of the subsidiaries have been included in the Consolidated Financial Statements of the Company which forms part of this Annual Report.

A statement pursuant to Section 212(3) of the Companies Act, 1956 regarding extent of interest of the holding company in its subsidiaries, is attached herewith as **Annexure A** to this Report.

Disclosures

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as per section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is appended as **Annexure B** and forms part of this Report.

Directors

The Board of Directors comprises of 6 Directors, out of which 4 Directors are Independent Directors. The Composition of the Board is in compliance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange(s).

Mr. Basant Kumar Parakh, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Companies Act, 2013 ("the Act") provides for appointment of Independent Directors. Section 149 of the Act (effective from April 1, 2014) provides that Independent Directors shall not hold office for more than two consecutive terms of upto five years each provided that the Director is re-appointed by passing a special resolution on completion of his first term. Independent Directors are no longer liable to retire by rotation. Further as per explanation provided under Section 149 of the Act, any term of an Independent Director on the date of commencement of this Section, i.e., April 1, 2014 shall not be counted as a term.

Accordingly, the Board of Directors in its meeting held on 30th May, 2014 has proposed the appointment of Mr. Abhijit Datta, Mr. Hari Mohan Marda, Mr. Ram Gobind Ganeriwala and Mr. Amar Bhalotia as Independent Directors of the Company to hold office for a term upto March 31, 2019, subject to the approval of the members.

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

The Board recommends the appointment of above Directors with a view to avail their valuable advices and wise counsel. A brief profile of the above Directors seeking appointment/re-appointment required under Clause 49 of the Listing Agreement, is given in the Notice of AGM.

Particulars of Employees

The particulars required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 are not applicable to the Company.

Auditors

The Board, on recommendation of the Audit Committee, has proposed that M/S S. K. Agrawal & Co., Chartered Accountants, who retires at the conclusion of the ensuing Annual General Meeting, be re-appointed as Statutory Auditors of the Company, to hold office till the conclusion of fifth consecutive Annual General Meeting ("AGM"), subject to ratification by members at every AGM held after the ensuing AGM. M/S S. K. Agrawal & Co., Chartered Accountants have signified their consent, in writing, for such appointment along with a certificate stating that their appointment, if made, shall be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

Directors' Responsibility Statement

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, the Board of Directors hereby state that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;

Directors' Report (Contd.)

- b) the Directors have selected such accounting policies and applied them accordingly from time to time and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014, and of the loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities; and
- d) the Directors have prepared the accounts for the year ended 31st March, 2014 on a going concern basis.

Corporate Governance

As per Clause 49 of the Listing Agreement, a separate section on Corporate Governance practices followed by the

Company together with a certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of this Report.

Acknowledgments

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 Business Associates for the growth of the organization.

Your Directors also wish to place on record their deep appreciation to all the employees for their commitment and continued contribution to the Company.

For and on behalf of the Board

Kolkata
30th May, 2014

Abhijit Datta
Chairman

Annexure to the Directors' Report

ANNEXURE A

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

For the Year ended 31st March, 2014

(₹ in Lakhs)

Sl. No.	Name of Subsidiary Company	Emami Realty Limited	Emami Rainbow Niketan Private Limited	Emami Constructions Private Limited	Sneha Ashiana Private Limited	Delta PV Private Limited	New Age Realty Private Limited
1.	Name of immediate Holding Company	Emami Infrastructure Limited	Emami Infrastructure Limited	Emami Realty Limited	Emami Realty Limited	Emami Realty Limited	Emami Realty Limited
2.	Financial Year ending of the Subsidiary Company	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
3.	Extent of Holding Company's interest	100%	100%	100%	100%	55%	60%
4.	Net aggregate amount of Profit/(Loss) of subsidiary not dealt with in the Holding Company's Accounts						
i)	For the Financial Year ended March 31, 2014 of the subsidiary	(51.84)	(267.09)	(0.37)	(0.20)	(0.01)	(104.98)
ii)	For the previous Financial Year of the subsidiary company since they become Holding Company's subsidiary	63.64	(427.64)	(2.01)	(0.24)	(3.34)	(82.05)
5.	Net aggregate amount of Profit/(Loss) of subsidiary dealt with in the Holding Company's Accounts						
i)	For the Financial Year ended March 31, 2014 of the subsidiary	—	—	—	—	—	—
ii)	For the previous Financial Year of the subsidiary company since they become holding Company's subsidiary	—	—	—	—	—	—

Annexure to the Directors' Report

ANNEXURE- B

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A) CONSERVATION OF ENERGY:

Your Company is into real estate business and is not included in the list of industries under Schedule to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Therefore, Form A and the disclosures contained therein are not applicable to the Company.

B) TECHNOLOGY ABSORPTION:

Form B: Disclosure of particulars with respect to absorption			
Research & Development (R & D)-			
Specific areas in which R & D carried out by the company		The Company has not undertaken any activity relating to research and development during the year under review.	
Benefits derived as a result of the above R & D			
Future plan of action			
Sr. No.	Expenditure on R & D	2013-14 (₹)	2012-13 (₹)
1	Capital Expenditure	NIL	NIL
2.	Recurring Expenditure	NIL	NIL
	Total	NIL	NIL
	Total R & D expenditure as a percentage of total turnover	N.A.	N.A.
Technology absorption, adaptation and innovation			
Efforts, in brief, made towards technology absorption, adaptation and innovation		Not Applicable	
Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.			
In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: (a) Technology imported. (b) Year of import. (c) Has technology been fully absorbed? (d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.		Not Applicable	

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports; initiatives taken to increase exports; Development of new export markets for products and services; & export plans	Not Applicable	
Total foreign exchange used and earned	FY 2013-14 (₹)	FY 2012-13 (₹)
Foreign Exchange earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

Management Discussion and Analysis Report

Industry Structure and Developments

"Despite being burdened with high construction costs and increased cost of borrowing, the Indian construction and real estate sector continues to be a favoured destination for global investors," said the Grant Thornton International Business Report.

The year 2013 saw a series of reform-oriented moves by the Indian government in an effort to infuse cash flows and bolster the sector. The Real Estate (Regulation and Development) Bill, 2013 was introduced in the Rajya Sabha in August, 2013 to promote the real estate sector and bring transparency. Another milestone in this direction has been the enactment of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 which has come into effect from January 1, 2014 replacing the century old Land Acquisition Act, 1894. The new Act is aimed at protecting the rights of land owners while ensuring fair compensation and resettlement in lieu of sale of their land to either private developers for commercial development or government for public purposes. The securities market regulator, Securities and Exchange Board of India has come up with draft regulations on Real Estate Investment Trusts (REITs) which is a welcome step. Introduction of REITs is going to provide a timely opportunity to both investors and the real estate industry to develop a mature and transparent market. The Indian Government has amended its SEZ norms to make them more inclusive by attracting more small and medium enterprises to its scheme.

Opportunities and Threats

India Ratings & Research has maintained a negative to stable outlook on the real estate sector for 2014-15 on the back of continued weak end-user demand and adverse consumer sentiments.

The urban population is expected to surge in the coming years, which, coupled with growth in employment, education and health care, will push the demand for residential and commercial space. Things will start looking up for the sector only in the second half of 2014.

While we continue to be optimistic about the markets we operate and growth therein but we remain cautious about the macro-economic changes and the regulatory headwinds being faced by the sector as a whole.

Performance and Outlook

Your Company is engaged in various projects through its subsidiaries and associates. The consolidated revenue from operations of your Company for the year ended 31st March, 2014 was ₹ 755.02 Lakhs against loss of ₹ 371.28 Lakhs in the previous year.

The application of most latest, simple and adaptable Mivan Technology in our Project **"Emami City"** has resulted into an effective system of construction satisfactorily and has been widely appreciated by our customers.

Our Project **"Emami Swanlake"** at Kukatpally, Hyderabad is nearing completion and the sales have been satisfactory.

Challenges, 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.

Financial performance

These financial statements have been prepared under historical cost convention in accordance with Generally Accepted Accounting Principles and provisions of the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and the Accounting Standards notified in Companies (Accounting Standard) Rules, 2006 to the extent applicable. Our management accepts responsibility for the integrity and objectivity of these financial statements. The networth of your Company has decreased marginally from ₹ 4147.50 Lakhs as on 31st March, 2013 to ₹ 4115.98 Lakhs as on 31st March, 2014.

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 Emami Infrastructure Limited, 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 with the Stock Exchanges. The Board as on 31st March, 2014 consists of 6 Directors out of which 4 Directors are Independent Director.

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

Sl. No.	Name	Designation	Category
1	Mr. Abhijit Datta	Chairman	Non-Executive Independent
2	Mr. Hari Mohan Marda	Director	Non-Executive Independent
3	Mr. Ram Gobind Ganeriwala	Director	Non-Executive Independent
4	Mr. Amar Bhalotia	Director	Non-Executive Independent
5	Mr. Basant Kumar Parakh	Director	Non-Executive Non-Independent
6	Mr. Girija Kumar Choudhary	Whole-time Director & CFO	Executive

Board Meetings & Procedure

The Board ensures that the Company's reporting and disclosure practices meet the 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's 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 IA to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary.

Report on Corporate Governance (Contd.)

Number and dates of Board Meetings held during the year

During the year, five Board meetings were held. The details of Board meetings are given below:

Sl. No.	Date of Board Meeting	Total strength of the Board	No of Directors present
1	May 29, 2013	6	4
2	July 8, 2013	6	5
3	August 12, 2013	6	5
4	November 11, 2013	6	5
5	February 10, 2014	6	4

The maximum time gap between any two meetings was less than four months as stipulated under Clause 49 of the Listing Agreement.

Attendance at aforesaid Board Meetings, at the last Annual General Meeting and the number of Directorships and Committee Chairmanship / Memberships (as on 31st March, 2014) in other Companies of each of the Directors are below:-

Name of Directors	Board meeting attended during the year	Attendance at the last AGM	Number of other Directorships and Committee Membership [@] / Chairmanship [@]		
			Other Director ship [#]	Committee Member ship [^]	Committee Chairmanship
Mr. Abhijit Datta	4	Yes	4	3	1
Mr. Hari Mohan Marda	5	Yes	6	4	2
Mr. Ram Gobind Ganeriwala	5	Yes	–	2	2
Mr. Amar Bhalotia	–	No	3	2	–
Mr. Basant Kumar Parakh	5	Yes	3	–	–
Mr. Girija Kumar Choudhary	4	Yes	3	–	–

[#]Excluding Alternate Directorships and Directorships in Foreign Companies, Section 25 Companies and Private Limited Companies

[@]Includes only Audit Committee and Stakeholders Relationship Committee (Shareholders' / Investors' Grievance Committee)

[^]Includes Chairmanship.

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.

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. The minutes of the meetings of all the Committees are placed before the Board for review.

The Board has currently established the following Committees:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee

Report on Corporate Governance (Contd.)

Audit Committee

The Committee consists of 3 Directors, who bring with them vast experience in the field of operations, finance and

accounts and the Company has immensely benefited from the deliberations of the Audit Committee. The Committee comprises of:

Sl. No.	Name	Category	Designation
1.	Mr. Ram Gobind Ganeriwala	Non-Executive Independent	Chairman
2.	Mr. Hari Mohan Marda	Non-Executive Independent	Member
3.	Mr. Girija Kumar Choudhary	Executive	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 12th August, 2013.

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 judgement 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.

Report on Corporate Governance (Contd.)

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 thereon.
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 2014, Audit Committee met 4 (Four) times on 29th May, 2013, 12th August, 2013, 11th November, 2013 and 10th February, 2014. 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. Ram Gobind Ganeriwala	4	4
Mr. Hari Mohan Marda	4	4
Mr. Girija Kumar Choudhary	4	3

Stakeholders Relationship Committee

The Committee comprises of 3 Directors, namely:

Sl. No.	Name	Category	Designation
1.	Mr. Ram Gobind Ganeriwala	Non-Executive Independent	Chairman
2.	Mr. Basant Kumar Parakh	Non-Executive Non-Independent	Member
3.	Mr. Girija Kumar Choudhary	Executive	Member

The Committee was re-named on 30th May, 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 a Secretary to the Committee.

During the period under review one meeting was held on 10th February, 2014. All the members except Mr. Girija Kumar Choudhary were present at the said meeting.

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 Exchanges and Registrar of Companies etc.

The Company received 3 complaints from shareholders regarding non-receipt of annual reports which have been resolved to the satisfaction of shareholders and none of them are pending as on 31st March, 2014.

Report on Corporate Governance (Contd.)

The name, designation and address of Compliance Officer of the Company is as under:

Name and Designation	Ms. Payel Jain, Company Secretary
Address	Emami Tower, 2nd Floor, 687 Anandapur, E. M. Bypass, Kolkata - 700 107
Contacts	Phone: 033 6613 6236
E-mail	payel.jain@emamirealty.com

Nomination & Remuneration Committee

The Committee consists of 3 Directors, all being independent. The Committee comprises of:

Sl. No.	Name	Category	Designation
1.	Mr. Hari Mohan Marda	Non-Executive Independent	Chairman
2.	Mr. Ram Gobind Ganeriwala	Non-Executive Independent	Member
3.	Mr. Amar Bhalotia	Non-Executive Independent	Member

The Committee was re-named by the Board of Directors in their meeting held on 10th February, 2014 to align with the requirements of Section 178 of the Companies Act, 2013. The Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Company Secretary acts as a Secretary to the Nomination & Remuneration 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/or removal;
- To formulate criteria for and carry out evaluation of Independent Directors and the Board;
- To formulate the 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 devise 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, amendment or modification, as may be applicable.

During the period under review one meeting was held on 11th November, 2013. All the members except Mr. Amar Bhalotia were present at the said meetings.

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.

With this objective, the Board decides on the remuneration to be paid to the Directors. While deciding on the remuneration, the Board of Directors considers the performance of the Company, the current trends in the industry, the qualifications of the appointee, his experience, past performance and other relevant factors.

Criteria for payment to Non-Executive Directors

As per the present policy, the Company does not pay any remuneration to any Independent Director except sitting fees for attending the meetings of the Board / Committees.

During the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors except payment of sitting fees. The Company has not granted any Stock Options to any of its Non-Executive Directors.

Details of Remuneration to all Directors :

- A) The details of sitting fees for the Financial Year 2013-14 paid to the Non-Executive Directors & their shareholding in the Company are as under;

Report on Corporate Governance (Contd.)

Name of Directors	Category	Sitting Fees (₹)	No. of shares held as on 31st March, 2014
Mr. Abhijit Datta	Non-Executive Independent	10,000	NIL
Mr. Hari Mohan Marda	Non-Executive Independent	25,000	NIL
Mr. Ram Gobind Ganeriwala	Non-Executive Independent	27,500	NIL
Mr. Amar Bhalotia	Non-Executive Independent	-	NIL
Mr. Basant Kumar Parakh	Non-Executive Non-Independent	15,000	NIL

No commission was paid to Directors during the year ended 31st March, 2014.

- B) The details of Remuneration for the Financial Year 2013-14 paid to Mr. Girija Kumar Choudhary, Whole-time Director & CFO of the Company are as under :

	Amount in ₹
Salary	21,00,000
Contribution to Provident Fund	2,52,000
Contribution to National Pension Fund	1,36,200
Bonus & Allowances	1,98,400
Total	26,86,600

The tenure of office of Whole-time Director & CFO is for 5 years from his date of appointment and can be terminated by either party by giving three months notice in writing.

General Body Meetings:

- A) Location and time, where last three Annual General Meetings (AGMs) were held:

Year	Day, Date & Time	Venue	Special Resolution passed
2012-13	Monday, 12th August, 2013 at 11.30 A.M.	Emami Tower, 687, Anandapur, E. M. Bypass, Kolkata- 700107	NIL
2011-12	Friday, 21st September 2012 at 11.30 A.M	Emami Tower, 687 Anandapur, E. M. Bypass, Kolkata - 700107	NIL
2010-11	Saturday, 24th September 2011 at 11.30 A.M	Emami Tower, 687 Anandapur, E. M. Bypass, Kolkata - 700 107	NIL

- B) No Extra-Ordinary General Meeting of the shareholders was held during the year.
 C) No Special Resolution passed through postal ballot during the financial year 2013-14.
 D) None of the business proposed to be transacted at the ensuing Annual General Meeting require 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 with 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. 17 to the audited accounts. A statement of these transactions was also placed before the Audit Committee and in the Board meetings from time to time.

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.

Report on Corporate Governance (Contd.)

3. Accounting treatment in preparation of financial statement

The financial statements have been prepared under historical cost convention in accordance with generally accepted accounting principles and provisions of the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and the Accounting Standards notified in Companies (Accounting Standard) Rules, 2006 to the extent applicable.

4. 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 details of these compliances have been given in the relevant sections of this report. The Company has adopted non-mandatory requirements under Clause 49 of the Listing Agreement to the extent relating to setting up of Nomination & Remuneration 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. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Means of Communication

- i) Publication of results: The Company publishes its quarterly and annual results in newspapers such as Business Standard, Financial Express, Ekdin and Ei Samay. The same are also submitted to the Stock Exchanges.
- ii) News, Releases etc: The Company has its own 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	:	5th September, 2014
Time	:	2:30 P. M.
Venue	:	Emami Tower, 687 Anandapur, E. M. Bypass, Kolkata - 700 107

ii. Financial Calendar

Financial year - 1st April, 2014 to 31st March, 2015
Financial Reporting for the Year 2014-15:

Particulars	Quarter (Q.E)/ year ending (Y.E)	Tentative Schedule*
Unaudited Financial Results (1st Quarter)	Q.E. 30.06.2014	On or before 14th August, 2014
Unaudited Financial Results (2nd Quarter)	Q.E. 30.09.2014	On or before 14th November, 2014
Unaudited Financial Results (3rd Quarter)	Q.E. 31.12.2014	On or before 14th February, 2015
Audited Financial Results (4th Quarter / Annual)	Y.E. 31.03.2015	On or before 30th May, 2015

*tentative and subject to change

Report on Corporate Governance (Contd.)

iii. Book Closure Dates	: 1st September, 2014 to 5th September, 2014 (Both days inclusive)
iv. Dividend Payment Date	: Not Applicable
v. Listing on Stock Exchanges	: BSE Limited (BSE) National Stock Exchange of India Ltd. (NSE) Calcutta Stock Exchange Limited (CSE) The listing fees for financial year 2013-14 & 2014-15 to BSE, NSE and CSE have been paid.
vi. Stock Code	: Trading symbol BSE Limited - 533218 NSE – EMAMIINFRA CSE - 15214
Demat ISIN No.	: ISIN No. : INE778K01012
Corporate Identity No.	: L45400WB2008PLC121426

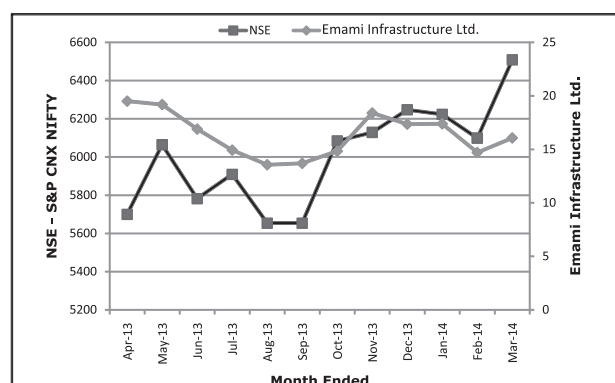
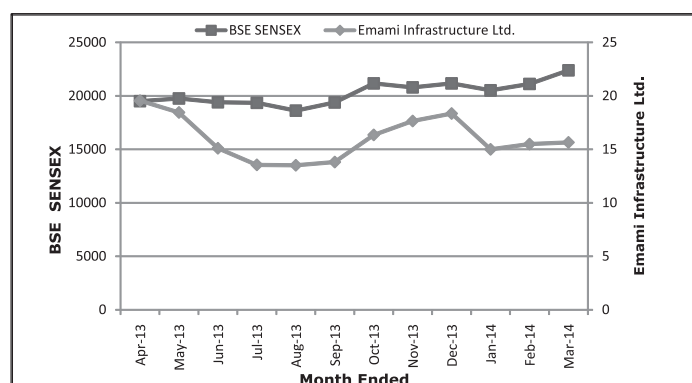
vii. Market Price Data

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

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Apr-13	21.45	18.50	21.50	17.95
May-13	21.20	17.10	20.90	17.65
Jun-13	19.00	14.70	18.65	14.70
Jul-13	17.25	12.05	17.00	12.00
Aug-13	15.60	11.75	15.55	11.80
Sep-13	15.70	11.55	16.50	12.80
Oct-13	18.69	12.20	18.85	13.00
Nov-13	21.35	15.25	21.00	15.50
Dec-13	19.65	15.95	19.45	16.15
Jan-14	20.00	15.00	20.25	14.75
Feb-14	15.92	13.90	15.80	13.80
Mar-14	18.80	14.95	18.60	14.60

[Source: This information is compiled from the date available from the websites of BSE and NSE]

viii. Performance in comparison to broad based indices such as BSE Sensex, etc:



Report on Corporate Governance (Contd.)

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, 2014

Distribution of Shareholding as on 31st March, 2014

Shareholding	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	13,669	86.82	16,66,544	6.86
501 to 1000	1,041	6.61	8,70,956	3.58
1001 to 2000	508	3.23	7,83,710	3.22
2001 to 3000	166	1.05	4,27,326	1.76
3001 to 4000	86	0.55	3,07,639	1.27
4001 to 5000	70	0.44	3,34,875	1.38
5001 to 10000	104	0.66	7,89,397	3.25
10001 and above	100	0.64	1,91,17,945	78.68
Grand Total	15,744	100.00	2,42,98,392	100.00

Shareholding Pattern as on 31st March, 2014

Sl. No.	Description	No. of shares	Percentage of capital
I.	Promoter and Promoter group	1,40,72,541	57.92
II.	Bodies Corporate	45,24,325	18.62
III.	Individuals	56,62,788	23.30
IV.	Non Resident Individual	26,434	0.11
V.	Clearing Member	12,304	0.05
Total		2,42,98,392	100.00

Report on Corporate Governance (Contd.)

xii. Dematerialization of shares and liquidity:

As on 31st March 2014, 2,42,65,714 shares of the Company, aggregating to 99.87% 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) The Company Secretary
Emami Infrastructure 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: infra@emamirealty.com
- (ii) Registrar and Share Transfer Agent
Maheswari 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

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 2013-14.

May 30, 2014
Kolkata

For **Emami Infrastructure Limited**

Girija Kumar Choudhary
Whole Time Director & CFO

CEO/CFO CERTIFICATION

To
Board of Directors
Emami Infrastructure Limited

1. We have reviewed the financial statements and the cash flow statement of Emami infrastructure Limited for the year ended March 31, 2014 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.

May 30, 2014
Kolkata

For **Emami Infrastructure Limited**

Hari Mohan Marda
Director

Girija Kumar Choudhary
Whole Time Director & CFO

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

To,
The Members of
Emami Infrastructure Limited

We have reviewed the records of Emami Infrastructure Limited for the year ended on March 31, 2014 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.

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

Radhakishan Tondon
Partner
Membership No.60534

Place: Kolkata
Dated: May 30, 2014

Independent Auditors' Report

To

The Members of **Emami Infrastructure Limited**
Report on the Financial Statements

We have audited the accompanying financial statements of **Emami Infrastructure Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 accounting policies used and the reasonableness of the accounting estimates made by management, 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 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:

- i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2014
 - ii) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the order.
 2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - c) The Balance Sheet, Statement of Profit & Loss & Cash Flow Statement referred to in this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **S. K. AGRAWAL & COMPANY**

Firm Registration No. 306033E

Chartered Accountants

Radhakrishnan Tondon

Partner

M. No. 060534

Place: Kolkata

Date: 30th May, 2014

Annexure to the Independent Auditors' Report

1. The Company does not have any fixed assets and accordingly the provisions of clause 1(a), 1(b) & 1(c) of the order are not applicable to the company.
2. The Company does not have any inventory and accordingly the provisions of clause 2(a), 2(b) & 2(c) of the order are not applicable to the company.
3. The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clauses (iii)(b), (iii)(c), (iii)(d), (iii)(f) and (iii)(g) of paragraph 4 of the Order are not applicable.
4. There are no transactions of the purchase of inventories and fixed assets and sale of goods and services during the year. Accordingly, provisions of Clause 4(iv) of the order are not applicable to the company.
5. According to information and explanation given to us, we are of the opinion that there are no transactions made in pursuance of contracts or arrangements that need to be entered into the Register maintained under section 301 of the Companies act, 1956.
6. The Company has not accepted any deposits as defined under section 58A & 58AA or other relevant provisions of the Companies Act, 1956.
7. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of the business.
8. As explained to us the company is not required to maintain Cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209 (1)(d) of the Companies Act, 1956.
9. 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 Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth 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, 2014 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	52.29	2009-10	I.T.A.T (Kolkata)

10. The Company does not have accumulated losses exceeding fifty percent of its net worth at the end of the financial year. The Company has incurred cash losses during the current year; however it has not incurred cash losses in the immediately preceding financial year.
11. The company has not raised Loans from Financial institution or Banks or by issue of Debentures and hence Clause 4(xi) of the order is not applicable to the company.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a Nidhi/ Mutual Benefit Fund/Society. Accordingly, the provisions of clause 4(xiii) of the order are not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
15. According to the information and explanation given to us, the Company has given corporate guarantee for loan taken by its subsidiary amounting to Rs. 200 crore from the bank. As explained, the terms and conditions are not prejudicial to the interests of the Company.

Annexure to the Independent Auditors' Report (Contd.)

- | | |
|---|--|
| <p>16. To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not availed any term loan during the year.</p> <p>17. According to the information and explanation given to us and on an overall examination of Balance Sheet, the company has not raised any short-term funds during the year.</p> <p>18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act 1956, during the year</p> | <p>and hence the question of whether the price at which shares have been issued is prejudicial to the interest of the Company does not arise.</p> <p>19. The Company has not issued any secured debentures during the year.</p> <p>20. The Company has not raised any money by way of public issue during the year.</p> <p>21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.</p> |
|---|--|

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

Place: Kolkata
Date: 30th May, 2014

Radhakrishnan Tondon
Partner
M. No. 060534

Balance Sheet as at 31st March, 2014

Amount in ₹

Note	As at 31.03.2014	As at 31.03.2013
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share Capital 2	4,85,96,784	4,85,96,784
Reserves and Surplus 3	36,30,01,675	36,61,54,141
	41,15,98,459	41,47,50,925
Non - Current Liabilities		
Long - Term Provisions 4	14,77,959	7,50,040
Current Liabilities		
Trade Payables 5	27,119	60,760
Other Current Liabilities 6	2,71,390	3,36,044
Short - Term Provisions 7	3,09,66,180	3,09,64,542
	3,12,64,689	3,13,61,346
TOTAL	44,43,41,107	44,68,62,311
ASSETS		
Non - Current Assets		
Non - Current Investments 8	9,85,01,250	9,85,01,250
Long - Term Loans and Advances 9	90,000	7,42,40,000
	9,85,91,250	17,27,41,250
Current Assets		
Cash and Bank Balances 10	1,96,336	1,63,867
Short - Term Loans and Advances 11	34,55,53,521	27,39,57,194
	34,57,49,857	27,41,21,061
TOTAL	44,43,41,107	44,68,62,311
Summary of Significant Accounting Policies and Notes to Accounts 1 to 22		

As per our report of even date

For S. K. Agrawal & Company

Firm Registration No. 306033E

Chartered Accountants

Radhakrishnan Tondon

Partner

M. No. 60534

Place: Kolkata

Date: 30th May, 2014

For and on behalf of the Board**Abhijit Datta**

Chairman

Girija Kumar Choudhary

Wholetime Director & CFO

Payel Jain

Company Secretary

Statement of Profit & Loss for the year ended 31st March, 2014

		Amount in ₹	
Particulars	Note	2013-14	2012-13
INCOME			
Revenue from Operations		-	-
Other Income	12	28,99,116	1,75,17,507
Total Revenue (I)		28,99,116	1,75,17,507
EXPENSES			
Employee Benefits Expense	13	45,83,190	29,04,184
Other Expenses	14	14,68,392	17,63,006
Total Expenses (II)		60,51,582	46,67,190
Profit/(Loss) before tax (I - II)		(31,52,466)	1,28,50,317
TAX EXPENSE			
Current Tax		-	44,29,058
Profit/(Loss) for the Period		(31,52,466)	84,21,259
Earnings per Equity Share of face value of ₹ 2/- each			
Basic & Diluted	15	(0.13)	0.35
Summary of Significant Accounting Policies and Notes to Accounts	1 to 22		

As per our report of even date
For S. K. Agrawal & Company
 Firm Registration No. 306033E
 Chartered Accountants

For and on behalf of the Board

Radhakrishnan Tondon
 Partner
 M. No. 060534

Abhijit Datta
 Chairman

Girija Kumar Choudhary
 Wholetime Director & CFO

Place: Kolkata
 Date: 30th May, 2014

Payel Jain
 Company Secretary

Cash Flow Statement for the year ended 31st March, 2014

	Amount in ₹	
	2013-14	2012-13
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(31,52,466)	1,28,50,317
Adjustment for:		
Interest Income	(28,99,116)	(1,75,11,889)
Operating Profit before Working Capital Changes	(60,51,582)	(46,61,572)
Adjustment for:		
Increase/(decrease) in Long-Term Provisions	7,27,919	3,03,742
Increase/(decrease) in Trade Payable	(33,641)	(29,817)
Increase/(decrease) in Other Current Liabilities	(64,654)	(71,042)
Increase/(decrease) in Short-Term Provisions	1,638	4,142
Decrease/(increase) in Short-Term Loans and Advances	-	500
Decrease/(increase) in Long-Term Loans and Advances	7,41,50,000	-
Cash Generated from/(used in) Operations	6,87,29,680	(44,54,047)
Less: Income Taxes Paid	1,58,63,112	23,84,626
Net cash flow from/(used in) Operating Activities (A)	5,28,66,568	(68,38,673)
CASH FLOW FROM INVESTING ACTIVITIES		
Loans Given	(19,31,00,000)	(4,39,00,000)
Loans Realised	12,42,50,000	52,50,000
Interest Received	1,60,15,901	4,58,48,504
Investment in Subsidiaries	-	(5,01,250)
Net Cash from Investing Activities (B)	(5,28,34,099)	66,97,254
CASH FLOW FROM FINANCING ACTIVITIES		
	-	-
Net Cash from Financing Activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	32,469	(1,41,419)
Cash and Cash Equivalents at the beginning of the year *	1,63,867	3,05,286
Cash and Cash Equivalents at the end of the year *	1,96,336	1,63,867

* Represents Cash and Bank Balance as indicated in Note No 10

As per our report of even date

For S. K. Agrawal & Company

Firm Registration No. 306033E

Chartered Accountants

Radhakrishnan Tondon

Partner

M. No. 60534

Place: Kolkata

Date: 30th May, 2014

For and on behalf of the Board

Abhijit Datta

Chairman

Girija Kumar Choudhary

Wholetime Director & CFO

Payel Jain

Company Secretary

Notes to Financial Statements for the year ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

I. Basis of Preparation of Financial Statements

These accounts have been prepared on historical cost basis and on the accounting principles of a going concern to comply in all material aspects with applicable accounting principles in India, the relevant provisions of the Companies Act, 1956 (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and the Accounting Standards notified in Companies (Accounting Standard) Rules, 2006 to the extent applicable.

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. 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.

IV. Provisions & Contingent Liabilities

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, it is more likely than not that a cash outflow will be required to settle the obligation 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, where it is not probable that a cash outflow will be required to settle the obligation. Provisions and Contingent Liabilities are revalued at each Balance Sheet date.

V. Revenue Recognition

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

VI. Borrowing Cost:

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 intended use.

VII. 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.

Notes to Financial Statements (Contd.) for the year ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES (Contd.)

VIII. Taxation

Income Tax expense comprises of current tax and deferred taxes. Income tax Expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" which includes current tax and deferred taxes. Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the carrying amount of MAT at each Balance Sheet date and adjusts MAT credit entitlement to the extent there is convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences for earlier years. Deferred tax assets arising from timing differences are recognised to the extent, there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets will be realised.

IX. 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.

X. 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.

XI. 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. The weighted average number of equity shares outstanding during the period are adjusted for the events of bouns issue and share split.

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.

XII. Cash and Cash Equivalents

Cash and cash equivalents for purposes of cash flow statement comprise cash at bank and in hand.

Notes to Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
2. SHARE CAPITAL		
Authorized Shares		
2,50,00,000 Equity Shares of ₹2/- each.	5,00,00,000	5,00,00,000
Issued, subscribed & fully paid-up shares		
2,42,98,392 Equity Shares of ₹2/- each *	4,85,96,784	4,85,96,784
	4,85,96,784	4,85,96,784

* Includes 2,40,48,392 Equity Shares allotted for consideration other than cash pursuant to Scheme of Arrangement.

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

Equity Shares	31st March, 2014		31st March, 2013	
	No of shares	Amount (₹)	No of shares	Amount (₹)
At the beginning of the period	2,42,98,392	4,85,96,784	2,42,98,392	4,85,96,784
Issued during the period	-	-	-	-
Outstanding at the end of the period	2,42,98,392	4,85,96,784	2,42,98,392	4,85,96,784

b. Rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹2/- 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	31st March, 2014		31st March, 2013	
	No of shares	% holding in the class	No of shares	% holding in the class
Diwakar Viniyog Private Limited	34,12,491	14.04%	34,12,491	14.04%
Suntrack Commerce Private Limited	29,84,237	12.28%	29,84,237	12.28%
Bhanu Vyapaar Private Limited	27,78,899	11.44%	27,78,899	11.44%
Emami Enclave Makers Private Limited	14,11,000	5.81%	14,11,000	5.81%
Emami High Rise Private Limited	13,92,000	5.73%	13,92,000	5.73%
Suraj Viniyog Private Limited	12,94,491	5.33%	12,94,491	5.33%

	Amount in ₹	
	31st March, 2014	31st March, 2013
3. RESERVES & SURPLUS		
Capital Reserve		
At the beginning and at the end of the year	23,42,49,216	23,42,49,216
Surplus in the Statement of Profit & Loss		
At the beginning of the year	13,19,04,925	12,34,83,666
Add: Surplus/(deficit) transferred from Statement of Profit & Loss	(31,52,466)	84,21,259
Net surplus in the Statement of Profit & Loss	12,87,52,459	13,19,04,925
Total Reserves and Surplus	36,30,01,675	36,61,54,141

Notes to Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
4. LONG - TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 16)		
- Gratuity	6,07,196	3,14,961
- Leave Encashment	8,70,763	4,35,079
	14,77,959	7,50,040
5. TRADE PAYABLES		
Others	27,119	60,760
	27,119	60,760
6. OTHER CURRENT LIABILITIES		
Unclaimed Fractional Share Sale Proceeds*	24,638	24,638
Advances from Related Party	-	28,523
Liabilities for Expenses	1,19,750	1,60,956
Other Payables		
- Employee Benefits	63,812	73,409
- Duties & Taxes	63,190	48,518
	2,71,390	3,36,044
* (There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at March 31, 2014)		
	31st March, 2014	31st March, 2013
7. SHORT - TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 16)		
- Gratuity	5,012	4,450
- Leave Encashment	7,220	6,144
Provision for Taxation	3,09,53,948	3,09,53,948
	3,09,66,180	3,09,64,542
8. NON - CURRENT INVESTMENTS		
Trade Investments		
In Equity Shares in subsidiary		
Unquoted fully paid up		
Emami Realty Limited	9,80,00,000	9,80,00,000
20,00,000 Equity Shares of ₹ 10/- each		
Emami Rainbow Niketan Private Limited	5,01,250	5,01,250
50,000 Equity Shares of ₹ 10/- each		
	9,85,01,250	9,85,01,250
Aggregate amount of Unquoted Investment	9,85,01,250	9,85,01,250
9. LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposits	90,000	90,000
Advances - Others	-	7,41,50,000
	90,000	7,42,40,000

Notes to Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
10. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
- In Current Accounts	1,63,668	1,36,277
- Escrow Account/Fractional Share Sale Proceeds	24,638	24,638
Cash in hand	8,030	2,952
	1,96,336	1,63,867
11. SHORT - TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Loans to Related Parties (Refer Note No. 17)	29,96,59,204	24,39,25,989
Advances - Others	26,541	26,541
Advances Income Tax	4,58,67,776	3,00,04,664
	34,55,53,521	27,39,57,194
12. OTHER INCOME		
Interest Income	28,99,116	1,74,73,321
Interest on Income Tax Refund	-	38,568
Liabilities written back	-	5,618
	28,99,116	1,75,17,507
13. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	42,58,543	27,41,540
Contribution to Provident and Other Funds	3,24,647	1,62,644
	45,83,190	29,04,184
14. OTHER EXPENSES		
Rent	1,18,827	1,11,240
Rates & Taxes	8,392	8,392
Maintenance Charges	1,18,827	1,11,240
Advertisement	1,08,416	1,46,088
Annual Custodial Fees	1,57,096	1,72,253
Postage & Courier Charges	1,17,308	1,39,965
Professional Fees	1,71,198	2,39,079
Printing & Stationery	1,83,063	1,49,942
Miscellaneous Expenses	2,86,108	4,65,705
Auditors' Remuneration (Refer Note No. 18)	1,99,157	2,19,102
	14,68,392	17,63,006
15. EARNINGS PER SHARE (EPS)		
Earning per Share is calculated as follows :		
Net Profit/(loss) after tax attributable to Equity Shareholders	(31,52,466)	84,21,259
Weighted average number of equity shares in calculating basic EPS and diluted EPS	2,42,98,392	2,42,98,392
Nominal value of Equity Share	2	2
Basic and Diluted EPS	(0.13)	0.35

Notes to Financial Statements (Contd.) for the year ended 31st March, 2014

16. DEFINED BENEFIT PLANS

As per Actuarial Valuations as on 31st March, 2014 and recognised in the financial statement in respect of Employee benefit schemes :

Particulars	31st March, 2014		31st March, 2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
A. Components of Employer Expenses				
1. Current Service Cost	96,187	1,66,206	53,235	81,352
2. Interest Cost	27,150	37,504	15,719	20,214
3. Expected Return on plan assets	-	-	-	-
4. Actuarial Gain/Losses	1,69,460	2,33,050	53,967	90,565
5. Total Expenses recognised in the Statement of Profit and Loss	2,92,797	4,36,760	1,22,921	1,92,131
B. Net asset/(liability) recognised in balance sheet as at 31st March, 2014				
1. Present value of Defined Benefits Obligation (DBO)	2,92,797	4,36,760	1,22,921	1,92,131
2. Fair value of plan assets	-	-	-	-
3. Funded Status [Surplus / (deficit)]	-	-	-	-
4. Net asset/(liability) recognised in balance sheet	-	-	-	-
C. Change in Defined Benefit Obligation during the year ended 31st March, 2014				
1. Present value of DBO at beginning of period	3,19,411	4,41,223	1,96,490	2,56,260
2. Current Service Cost	96,187	1,66,206	53,235	81,352
3. Interest Cost	27,150	37,504	15,719	20,214
4. Actuarial gain/ Losses	1,69,460	2,33,050	53,967	90,565
5. Benefits paid	-	-	-	(7,168)
6. Present value of DBO at the end of period	6,12,208	8,77,983	3,19,411	4,41,223
D. Change in Fair Value of Assets				
1. Plan assets at beginning of period	-	-	-	-
2. Expected Return on Plan assets	-	-	-	-
3. Actuarial Gains	-	-	-	-
4. Actual company contributions	-	-	-	-
5. Benefits paid	-	-	-	-
6. Plan assets at the end of period	-	-	-	-
E. Actuarial Assumptions				
1. Discount Rate	8.50%	8.50%	8.00%	8.00%
2. Inflation Rate	6.00%	6.00%	5.00%	5.00%

17. RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

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

Name of Related Party	Relationship
1. Emami Realty Limited	Wholly Owned Subsidiary
2. Emami Rainbow Niketan Private Limited	Wholly Owned Subsidiary
3. Zandu Realty Limited	Associate of Emami Rainbow Niketan Private Limited

ii) Key Management Personnel

1. Shri Girija Kumar Choudhary

Notes to Financial Statements (Contd.) for the year ended 31st March, 2014

iii) Transactions during the year with related parties:

Nature of Transactions	Subsidiaries		Associates		Key Management		Total	
	31/3/2014	31/3/2013	31/3/2014	31/3/2013	31/3/2014	31/3/2013	31/3/2014	31/3/2013
Loans given	19,31,00,000	4,39,00,000	-	-	-	-	19,31,00,000	4,39,00,000
Realisation of Loans given	12,42,50,000	52,50,000	-	-	-	-	12,42,50,000	52,50,000
Interest received	1,60,15,901	4,57,91,161	-	-	-	-	1,60,15,901	4,57,91,161
Advances taken	-	7,154	-	-	-	-	-	7,154
Investments	-	5,00,000	-	-	-	-	-	5,00,000
Remunerations Paid	-	-	-	-	25,47,600	15,75,495	25,47,600	15,75,495
Reimbursements paid	6,21,432	13,66,047	-	-	-	-	6,21,432	13,66,047
Reimbursements received	-	-	-	17,305	-	-	-	17,305
Balance as on 31st March 2014								
Investments	9,85,00,000	9,85,00,000	-	-	-	-	9,85,00,000	9,85,00,000
Loans and Advances given	29,70,50,000	22,82,00,000	-	-	-	-	29,70,50,000	22,82,00,000
Interest Receivable	26,09,204	1,57,25,989	-	-	-	-	26,09,204	1,57,25,989
Advances taken	-	28,523	-	-	-	-	-	28,523

	31st March, 2014	31st March, 2013
18. PAYMENT TO AUDITORS		
As Auditors :		
Audit Fees	1,25,000	1,40,450
Tax Audit Fees	11,236	11,236
Fees for Limited Review	60,674	67,416
For Other Services :		
Other Certification Fees	2,247	-
	1,99,157	2,19,102

19. The Board of Directors have approved amalgamation of its wholly owned subsidiary "M/S Emami Realty Limited" with M/S Zandu Realty Limited with effect from 1st April, 2013 in its meeting held on 8th July, 2013. Vide Letter dated 2nd May, 2014, BSE Ltd has conveyed to M/S Zandu Realty Limited that the Exchange is unable to grant its "no-objection" to the scheme in view of the observations made by Securities and Exchange Board of India (SEBI). The Company is taking appropriate action in the matter.

20. Contingent Liabilities not provided for in respect of :

- Corporate Guarantee on behalf of Subsidiary Company - Emami Realty Ltd for ₹ 200 crores (P.Y. ₹ 100 crore)
- Income Tax under dispute (Net of advances) of ₹ 52,29,050/- (₹ 6,39,84,640/-)

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

22. Previous year's figures have been rearranged or regrouped wherever necessary.

As per our report of even date

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

Radhakrishnan Tondon
Partner
M. No. 60534
Place: Kolkata
Date: 30th May, 2014

For and on behalf of the Board

Abhijit Datta
Chairman

Girija Kumar Choudhary
Wholetime Director & CFO

Payel Jain
Company Secretary

STATEMENT UNDER SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES IN TERMS OF THE CIRCULAR NO. 2/2011 DATED FEBRUARY 8, 2011 ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS

(₹ in Lakhs)

No.	Particulars	Emami Realty Limited	Emami Rainbow Niketan Private Limited	Emami Constructions Private Limited	Sneha Ashiana Private Limited	Delta PV Private Limited	New Age Realty Private Limited
1	Capital						
	Authorised Capital	200.00	5.00	20.00	15.00	125.00	10.00
	Issued, Subscribed and fully Paid-up Capital	200.00	5.00	10.00	5.00	45.00	5.00
2	Reserves	842.71	(1,787.31)	(5.06)	(1.46)	(27.18)	(452.29)
3	Total Assets	85,766.90	6,109.12	24,615.58	45.67	879.87	1,000.93
4	Total Liabilities	85,766.90	6,109.12	24,615.58	45.67	879.87	1,000.93
5	Details of Investments (except in the case of Investment in Subsidiaries)	2,984.38	6,012.91	400.02	NIL	NIL	NIL
6	Turnover (Revenue from Operation)	NIL	NIL	NIL	NIL	NIL	NIL
7	Profit/(Loss) Before Taxation	(42.84)	(267.09)	(0.37)	(0.20)	(0.12)	(174.96)
8	Provision for Taxation	8.30	-	-	-	-	-
9	Profit/(Loss) after Taxation	(51.84)	(267.09)	(0.37)	(0.20)	(0.02)	(174.96)
10	Proposed Dividend (%)	NIL	NIL	NIL	NIL	NIL	NIL

Independent Auditors' Report

To

The Board of Directors of **Emami Infrastructure Limited**

Report on Consolidated Financial Statements

We have audited the accompanying financial statements of **Emami Infrastructure Limited** ("the Company") its subsidiaries and associates which comprise the Consolidated Balance Sheet as at 31st March 2014, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") (which continues to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the

consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements 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 accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated 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:

- i) In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March, 2014
- ii) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For S. K. AGRAWAL & COMPANY

Firm Registration No. 306033E

Chartered Accountants

Kolkata
30th May, 2014

Radhakrishnan Tondon
Partner
Membership No: 060534

Consolidated Balance Sheet as at 31st March, 2014

Amount in ₹

	Note	As at 31.03.2014	As at 31.03.2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	4,85,96,784	4,85,96,784
Reserves and Surplus	3	28,42,40,714	20,87,38,679
		33,28,37,498	25,73,35,463
Minority Interest		8,02,112	8,02,888
Non - Current Liabilities			
Long - Term Borrowings	4	3,54,55,42,611	90,25,00,000
Long - Term Provisions	5	83,15,067	48,02,207
		3,55,38,57,678	90,73,02,207
Current Liabilities			
Short - Term Borrowings	6	2,29,23,47,994	1,68,07,58,734
Trade Payables	7	9,49,85,736	11,69,31,424
Other Current Liabilities	8	5,29,94,66,586	2,36,60,79,299
Short - Term Provisions	9	3,37,85,268	3,28,04,807
		7,72,05,85,584	4,19,65,74,264
TOTAL		11,60,80,82,872	5,36,20,14,822
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	10	1,74,78,726	1,58,46,903
Intangible Assets	10	10,31,650	5,26,726
Goodwill on Consolidation	11	9,32,71,742	9,32,71,742
Non - Current Investments	12	1,12,75,07,679	84,50,32,961
Long - Term Loans and Advances	13	1,88,89,18,413	39,54,18,910
Other Non - Current Assets	14	3,41,86,772	2,64,60,513
		3,16,23,94,982	1,37,65,57,755
Current Assets			
Inventories	15	4,16,47,38,171	2,60,05,44,337
Trade Receivables	16	-	6,35,000
Cash and Bank Balances	17	12,08,31,376	7,78,53,339
Short - Term Loans and Advances	18	4,16,01,18,343	1,30,64,24,391
		8,44,56,87,890	3,98,54,57,067
TOTAL		11,60,80,82,872	5,36,20,14,822
Summary of Significant Accounting Policies and Notes to Accounts	1 to 46		

As per our report of even date

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

Radhakrishnan Tondon
Partner
M. No. 060534

Place: Kolkata
Date: 30th May, 2014

For and on behalf of the Board

Abhijit Datta
Chairman

Girija Kumar Choudhary
Wholtime Director & CFO

Payel Jain
Company Secretary

Consolidated Statement of Profit & Loss for the year ended 31st March, 2014

		Amount in ₹	
	Note	2013-14	2012-13
INCOME			
Revenue from Operations	19	32,019	17,68,24,783
Other Income	20	20,73,07,223	12,87,26,057
Total Revenue (I)		20,73,39,242	30,55,50,840
EXPENSES			
(Increase)/Decrease in Inventories	21	(1,56,41,93,834)	(95,35,45,370)
Purchases	22	-	6,70,09,600
Employee Benefits Expense	23	14,37,47,679	9,89,35,081
Finance Costs	24	50,77,03,241	45,54,11,876
Project Expenses	25	1,15,40,53,195	65,33,44,891
Depreciation and Amortisation Expense	26	38,75,284	30,86,796
Other Expenses	27	2,21,22,300	1,74,19,860
Total Expenses (II)		26,73,07,865	34,16,62,734
Profit/(Loss) Before Tax (I-II)		(5,99,68,623)	(3,61,11,894)
TAX EXPENSES			
Current Tax		8,30,000	54,74,912
Income Tax for Earlier Year (net)		83,068	67,011
Profit/(Loss) after Tax before Minority Interest		(6,08,81,691)	(4,16,53,817)
Less : Share of Profit/(Loss) transferred to Minority Interest		(776)	(2,09,441)
Profit/(Loss) before Share from Associates		(6,08,80,915)	(4,14,44,376)
Add: Share of Profit/(Loss) from Associates		13,63,82,950	43,15,913
Profit/(Loss) for the period		7,55,02,035	(3,71,28,463)
Earnings per Equity Share of face value of ₹ 2/- each			
Basic & Diluted	28	3.11	(1.53)
Summary of Significant Accounting Policies and Notes to Accounts	1 to 46		

As per our report of even date
For S. K. Agrawal & Company
 Firm Registration No. 306033E
 Chartered Accountants

Radhakrishnan Tondon
 Partner
 M. No. 060534

Place: Kolkata
 Date: 30th May, 2014

For and on behalf of the Board

Abhijit Datta
 Chairman

Girija Kumar Choudhary
 Wholetime Director & CFO

Payel Jain
 Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2014

Amount in ₹

	2013-14	2012-13
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	(5,99,68,623)	(3,61,11,894)
Add: Adjusted for		
Depreciation and Amortisation Expense	38,75,284	30,86,796
Finance Costs	50,77,03,241	45,54,11,876
Share of Loss in Partnership Firm	84,33,499	17,55,171
Loss on Sale of Fixed Assets	46,858	-
Interest Income	(18,79,79,423)	(12,55,47,590)
Profit on Sale of Subsidiaries	-	(16,84,609)
Profit on Sale of Associates	(32,019)	(5,00,000)
Profit on sale of Current Non-Trade Investment	-	(2,112)
Operating Profit before Working Capital Changes	27,20,78,817	29,64,07,638
Adjusted for:		
Increase/(decrease) in Long - Term Provisions	35,12,860	23,73,195
Increase/(decrease) in Trade Payables	(2,19,45,688)	10,64,87,556
Increase/(decrease) in Other Current Liabilities	2,93,33,87,287	1,12,55,73,745
Increase/(decrease) in Short - Term Provisions	9,80,461	59,16,903
Decrease/(increase) in Long - Term Loans and Advances	(90,19,39,047)	(18,27,92,341)
Decrease/(increase) in Inventories	(1,56,41,93,834)	(89,99,83,204)
Decrease/(increase) in Trade Receivables	6,35,000	(4,85,000)
Decrease/(increase) in Short - Term Loans and Advances	(16,70,03,648)	(28,57,50,139)
Cash Generated from Operations	55,55,12,209	16,77,48,353
Less: Taxes Paid	9,13,068	55,41,923
Net Cash from Operating Activities (A)	55,45,99,141	16,22,06,430
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(61,20,750)	(1,01,20,259)
Proceeds from Sale of Fixed Assets	61,861	31,600
Purchase of Long Term Investment	(16,25,43,248)	(13,97,07,065)
Investment in Partnership Firm	79,00,000	2,04,75,000
Loans Given	(6,08,85,26,181)	(97,01,76,581)
Loans Realised	2,87,73,33,971	1,13,23,89,731
Purchase of Minority Interest	-	(3,66,689)
Investment in Fixed Deposit	(77,26,259)	(2,64,60,513)
Sale of Investments	1,50,000	2,05,00,000
Interest Received	12,09,20,872	12,55,47,590
Net Cash from Investing Activities (B)	(3,25,85,49,734)	15,21,12,814

Consolidated Cash Flow Statement (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	2013-14	2012-13
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Borrowings	2,64,30,42,611	9,64,67,522
Proceeds from Short-Term Borrowings	61,15,89,260	1,29,32,470
Interest Paid	(50,77,03,241)	(45,54,11,876)
Net Cash from Financing Activities (C)	2,74,69,28,630	(34,60,11,884)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	4,29,78,037	(3,16,92,640)
Cash and Cash Equivalents at the beginning of the year *	7,78,53,339	10,95,45,979
Cash and Cash Equivalents at the end of the year *	12,08,31,376	7,78,53,339

* Represents Cash and Bank Balance as indicated in Note No 17

As per our report of even date
For S. K. Agrawal & Company
 Firm Registration No. 306033E
 Chartered Accountants

Radhakrishnan Tondon
 Partner
 M. No. 060534

Place: Kolkata
 Date: 30th May, 2014

For and on behalf of the Board

Abhijit Datta
 Chairman

Girija Kumar Choudhary
 Wholetime Director & CFO

Payel Jain
 Company Secretary

Notes to Consolidated Financial Statements for the year ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

I. Principles of Consolidation

The Consolidated Financial Statements relate to EMAMI INFRASTRUCTURE LIMITED ("the Company"), its Subsidiary Companies and Associate Companies (referred to as "the group") (Refer Note 1 (xix) (a & b)). The Subsidiary and Associate Companies has been consolidated as per Accounting Standards on Accounting for Consolidated Financial Statements (AS 21) and Accounting for Investments in Associates in Consolidated Financial Statements (AS 23) respectively notified in Companies (Accounting Standards) Rules 2006. The Consolidated Financial Statements have been prepared on the following basis:-

- a. The Consolidated financial statements have been combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating all significant intra-group transactions / balances and resulting unrealised profits or losses.
- b. Investments in Associate Companies have been accounted as per Accounting Standard (AS) 23 "Accounting for Investments in Associates in Consolidated Financial Statements" notified by the Companies (Accounting Standards) Rules, 2006.
- c. The difference between the cost of investment in the Subsidiaries over its proportionate share in the net assets value at the time of acquisition of stake in subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- d. Goodwill arising out of consolidation is not being amortized.
- e. Minority interest in the net assets of consolidated subsidiaries consists of:
 - (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - (b) the minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- f. The difference between the cost of investment in the Associates and the Company's share of net assets at the time of acquisition of share in the Associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- g. As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Financial Statements.
- h. The Financial Statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company.

II. Basis of preparation

These accounts have been prepared on historical cost basis and on the accounting principles of a going concern to comply in all material aspects with applicable accounting principles in India, the relevant provisions of the Companies Act, 1956 and the Accounting Standards notified in Companies (Accounting Standard) Rules, 2006 to the extent applicable.

III. 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.

IV. Fixed Assets

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

V. Intangible Assets

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS (Contd.)

VI. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed under schedule XIV of the Companies Act, 1956.

VII. 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.

VIII. Inventories

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

IX. Provisions and Contingent Liabilities

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

X. Revenue Recognition

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

XI. 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 takes substantial period of time to get ready for its intended use.

XII. Employee Benefits

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

XIII. Taxation

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

XIV. Foreign Currency Transactions

- Transactions in foreign currency are recorded at the original rate of exchange in force at the time transactions are effected. Exchange differences arising on settlement of all transaction are recognized in the Statement of Profit and Loss.
- Income & Expenses are translated at average rate calculated on the basis of rates prevailing at the end of each month.
- Non Monetary Items are taken at the value based on rates prevailing at the time of acquisition.
- All other assets and liabilities are taken at rates prevailing at the end of the year.

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS (Contd.)

XV. 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.

XVI. 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.

XVII. 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. The weighted average number of equity shares outstanding during the period are adjusted for the events of bonus issue and share split.

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.

XVIII. 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 (with maturity of three months or less as at the balance sheet date).

XIX. List of Subsidiaries and Associates

- a) List of Subsidiaries (which alongwith Emami Infratsructure Limited, the parent, constitute the Group) considered in the Consolidated financial statements are as under:-

Name of Subsidiaries	Country of Incorporation	Extent of Holding
Emami Realty Limited	India	100%
Emami Rainbow Niketan Private Limited	India	100%
Sneha Ashiana Private Limited (Subsidiary of Emami Realty Limited)	India	100%
Emami Constructions Private Limited (Subsidiary of Emami Realty Limited)	India	100%
New Age Realty Private Limited (Subsidiary of Emami Realty Limited)	India	60%
Delta PV Private Limited (Subsidiary of Emami Realty Limited)	India	55%
Name of Associates	Country of Incorporation	Extent of Holding
Roseview Developers Private Limited (An Associate of Emami Realty Limited)	India	50%
Prajay Urban Private Limited (An Associate of Emami Realty Limited)	India	50%
Bengal Emami Housing Limited (An Associate of Emami Realty Limited)	India	30%
Zandu Realty Limited (An Associate of Emami Rainbow Niketan Private Limited)	India	35.51%
Evergreen Black Construction Private Limited (Formerly Emami Canopy Projects Private Limited) (An Associate of Emami Realty Limited upto 26th December, 2013)	India	30%

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
2. SHARE CAPITAL		
Authorized Shares		
2,50,00,000 Equity Shares of ₹2/- each.	5,00,00,000	5,00,00,000
Issued, subscribed & fully paid-up shares		
2,42,98,392 Equity Shares of ₹2/- each *	4,85,96,784	4,85,96,784
	4,85,96,784	4,85,96,784

* Includes 2,40,48,392 equity shares allotted for consideration other than cash pursuant to scheme of arrangement.

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

Equity Shares	31st March, 2014		31st March, 2013	
	No of shares	Amount (₹)	No of shares	Amount (₹)
At the beginning of the period	2,42,98,392	4,85,96,784	2,42,98,392	4,85,96,784
Issued during the period	-	-	-	-
Outstanding at the end of the period	2,42,98,392	4,85,96,784	2,42,98,392	4,85,96,784

b. Rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹2/- 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	31st March, 2014		31st March, 2013	
	No of shares	% holding in the class	No of shares	% holding in the class
Diwakar Viniyog Private Limited	34,12,491	14.04%	34,12,491	14.04%
Suntrack Commerce Private Limited	29,84,237	12.28%	29,84,237	12.28%
Bhanu Vyapaar Private Limited	27,78,899	11.44%	27,78,899	11.44%
Emami Enclave Makers Private Limited	14,11,000	5.81%	14,11,000	5.81%
Emami High Rise Private Limited	13,92,000	5.73%	13,92,000	5.73%
Suraj Viniyog Private Limited	12,94,491	5.33%	12,94,491	5.33%

	Amount in ₹	
	31st March, 2014	31st March, 2013
3. RESERVES & SURPLUS		
Capital Reserve		
At the beginning and at the end of the year	23,42,49,216	23,42,49,216
Surplus/ (deficit) in the Statement of Profit & Loss		
At the beginning of the year	(2,55,10,537)	1,16,17,926
Add: Surplus/(deficit) transferred from Statement of Profit & Loss	7,55,02,035	(3,71,28,463)
Net surplus/ (deficit) in the Statement of Profit & Loss	4,99,91,498	(2,55,10,537)
Total Reserves and Surplus	28,42,40,714	20,87,38,679

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

Amount in ₹

	31st March, 2014	31st March, 2013
4. LONG - TERM BORROWINGS		
Secured		
Term Loan from Banks (Refer Note No. 34)	86,30,42,611	60,00,00,000
Term Loan from Non Banking Financial Companies (Refer Note No. 35)	2,38,00,00,000	-
(A)	3,24,30,42,611	60,00,00,000
Unsecured		
Optionally Convertible Debenture *	30,25,00,000	30,25,00,000
(B)	30,25,00,000	30,25,00,000
(A+B)	3,54,55,42,611	90,25,00,000

Includes

* 56 Optionally Convertible Redeemable Debentures of face value of ₹50,00,000/- each issued on 21/02/2011 and 9 Optionally Convertible Redeemable Debentures of face value of ₹25,00,000/- each issued on 31/03/2012. These Debentures are redeemable at par or premium at the end of five years from the date of allotment. However, the Company has an option to redeem these debentures before the end of five years from the date of allotment. In case of bankruptcy/winding-up of a Debenture Holder, the Debentures shall be transmittable to the Liquidator in accordance with the Law on such terms as may be deemed to be appropriate by the Company.

	31st March, 2014	31st March, 2013
5. LONG - TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 29)		
- Gratuity	41,32,082	23,25,730
- Leave Encashment	41,82,985	24,76,477
	83,15,067	48,02,207

6. SHORT - TERM BORROWINGS		
Secured		
Term Loan from Non Banking Financial Companies (Refer Note No. 36)	55,00,00,000	-
Overdraft Facility from Bank (Refer Note No. 34(a))	16,85,45,494	26,21,61,887
Loans from Banks *	1,51,80,00,000	99,99,94,347
(A)	2,23,65,45,494	1,26,21,56,234
Unsecured		
Loans from Other Body Corporates	5,38,02,500	41,66,02,500
Advances from Others	20,00,000	20,00,000
(B)	5,58,02,500	41,86,02,500
(A+B)	2,29,23,47,994	1,68,07,58,734

* Loan from Banks are secured against pledge of Third Party Fixed Deposits

	31st March, 2014	31st March, 2013
7. TRADE PAYABLES		
Micro, Small and Medium Enterprises	-	-
Others	9,49,85,736	11,69,31,424
	9,49,85,736	11,69,31,424

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

Amount in ₹

	31st March, 2014	31st March, 2013
8. OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt (Refer Note No. 34)	1,45,00,00,000	28,43,20,316
Interest accrued but not due on borrowings	26,43,99,121	17,99,72,455
Interest accrued and due on borrowings	-	20,31,126
Advances from Related Party (Refer Note No. 30)	12,50,000	12,50,000
Unclaimed Fractional Share Sale Proceeds #	24,638	24,638
Advances from Customers	3,08,84,28,288	1,71,16,35,411
Advances from Others	3,73,056	11,47,59,380
Liabilities for Expenses	6,96,788	9,02,923
Cheques Overdrawn	43,00,45,088	78,305
Retention Money	2,65,90,063	1,40,61,651
Other Payables		
- Employee Benefits	42,68,179	1,67,82,468
- Taxes & Others	3,33,91,365	4,02,60,626
	5,29,94,66,586	2,36,60,79,299

There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at March 31, 2014)

	31st March, 2014	31st March, 2013
9. SHORT - TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 29)		
- Gratuity	4,21,138	2,58,764
- Leave Encashment	3,82,396	2,17,291
Provision for Income Tax	3,29,81,734	3,21,51,734
Provision for FBT	-	1,77,018
	3,37,85,268	3,28,04,807

10. FIXED ASSETS										
Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As on 01.04.2013	Additions	Deductions/ Adjustments	As on 31.03.2014	As on 01.04.2013	For the Year	Deductions/ Adjustments	Upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
Tangible Assets										
Land	5,31,650	10,000	-	5,41,650	-	-	-	-	5,41,650	5,31,650
Plant & Machinery	20,42,911	36,65,376	6,595	57,01,692	2,95,405	4,93,098	852	7,87,651	49,14,041	17,47,506
Office Equipments	16,05,722	3,70,084	2,15,000	17,60,806	4,74,220	1,80,361	1,46,881	5,07,700	12,53,106	11,31,502
Electrical Accessories	45,03,721	-	-	45,03,721	12,05,777	4,58,744	-	16,64,521	28,39,200	32,97,944
Computer Peripheral	31,23,852	4,17,441	34,000	35,07,293	20,10,978	5,20,011	23,814	25,07,175	10,00,118	11,12,874
Furniture & Fittings	32,39,199	1,92,476	-	34,31,675	18,83,100	2,50,509	-	21,33,609	12,98,066	13,56,099
Porta Cabin	15,79,488	-	-	15,79,488	3,90,265	2,15,250	-	6,05,515	9,73,973	11,89,223
Motor Car	71,28,668	6,60,000	-	77,88,668	16,48,563	14,81,533	-	31,30,096	46,58,572	54,80,105
Sub-Total (A)	2,37,55,211	53,15,377	2,55,595	2,88,14,993	79,08,308	35,99,506	1,71,547	1,13,36,267	1,74,78,726	1,58,46,903
Intangible Assets										
Software	8,96,425	8,05,373	-	17,01,798	3,69,699	3,00,449	-	6,70,148	10,31,650	5,26,726
Sub-Total (B)	8,96,425	8,05,373	-	17,01,798	3,69,699	3,00,449	-	6,70,148	10,31,650	5,26,726
Grand Total (A+B)	2,46,51,636	61,20,750	2,55,595	3,05,16,791	82,78,007	38,99,955	1,71,547	1,20,06,415	1,85,10,376	1,63,73,629
Previous Year	1,45,62,977	1,01,20,259	31,600	2,46,51,636	51,93,323	30,86,796	2,112	82,78,007	1,63,73,629	

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
11. GOODWILL ON CONSOLIDATION		
At the beginning of the year	9,32,71,742	13,45,94,599
Add: Purchase of Subsidiary	-	1,57,602
Less: Sale of Subsidiary	-	1,80,30,520
	9,32,71,742	11,67,21,681
Less: Capital Reserve on Consolidation	-	2,34,49,939
	9,32,71,742	9,32,71,742

	31st March, 2014		31st March, 2013	
12. NON - CURRENT INVESTMENTS				
(Long-Term Investment)				
A. Trade Investments				
i. Investments Property				
Flats		21,56,83,041		9,31,40,793
		21,56,83,041		9,31,40,793
ii. Investments in Equity Instruments				
In Associates				
a. Quoted fully paid up				
Zandu Realty Limited	89,44,26,891		89,44,26,891	
2,86,329 Equity Shares of ₹ 100/- each				
Add: Share of Profit/(Loss) upto 31st March, 2014	(10,50,65,784)	78,93,61,107	(24,15,38,189)	65,28,88,702
b. Unquoted fully paid up				
Roseview Developers Private Limited	50,000		50,000	
5,000 Equity Shares of ₹ 10/- each				
Add: Share of Profit/(Loss) upto 31st March, 2014	(50,000)	-	(50,000)	-
Prajay Urban Private Limited	50,000		50,000	
5,000 Equity Shares of ₹ 10/- each				
Add: Share of Profit/(Loss) upto 31st March, 2014	(50,000)	-	(50,000)	-
Evergreen Block Construction Private Limited (formerly Emami Canopy Projects Private Limited)	-		1,50,000	
Nil (15,000) Equity Shares of ₹ 10/- each				
Add: Share of Profit/(Loss) upto 31st March, 2014	-	-	(30,813)	1,19,187
Bengal Emami Housing Limited	6,00,000		6,00,000	
60,000 Equity Shares of ₹ 10/- each				
Add: Share of Profit/(Loss) upto 31st March, 2014	(1,93,445)	4,06,555	(1,05,196)	494,804
		78,97,67,662		65,35,02,693

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

Amount in ₹

	31st March, 2014	31st March, 2013
12. NON - CURRENT INVESTMENTS (Contd.)		
iii. Investments in Preference Shares		
Unquoted fully paid up		
Emami Paper Mills Limited*	7,00,00,000	7,00,00,000
1,75,000 8% Cumulative Redeemable Non-convertible Preference Shares of ₹100/- each		
iv. Investments in Bond		
Unquoted fully paid up		
Orbit Realty Infrastructure Limited	4,00,00,000	-
4,00,000 Optionally Convertible Bond of ₹100/- each		
v. Investments in Partnership Firm		
P.S. Srijan Projects	2,83,87,475	5,06,17,645
Less: Contribution withdrawals	79,00,000	2,04,75,000
Add: Share of Profit/(Loss) upto 31st March, 2014	(84,33,499)	1,20,53,976
		(17,55,170)
		2,83,87,475
Supervalue Nirman LLP (formerly Orbit Nirman LLP)	1,000	-
Add: Share of Profit/(Loss) upto 31st March, 2014	-	1,000
		-
	91,18,22,638	75,18,90,168
B. Other Investments		
i. Government Securities		
6 Year National Savings Certificate	2,000	2,000
Total Non - Current Investments	1,12,75,07,679	84,50,32,961
Aggregated amount of quoted investments	78,93,61,107	64,81,02,087
Market value of quoted investments	25,74,09,771	31,58,06,571
Aggregated amount of unquoted investments	33,81,46,572	19,69,30,874
* These Preference Shares are redeemable at a premium of ₹500/- per share on 27th March, 2025. However, the Company has an option to redeem these preference shares before the redemption period.		
	31st March, 2014	31st March, 2013
13. LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Loans to Others	59,15,60,456	-
Deposit under JDA	22,50,00,000	5,00,00,000
Advances to Others	6,51,05,624	14,21,55,624
Security Deposits	1,00,72,52,333	20,32,63,286
	1,88,89,18,413	39,54,18,910
14. OTHER NON-CURRENT ASSETS		
Fixed deposits with banks	3,26,70,000	2,57,62,500
Interest Receivable from Fixed Deposits	15,16,772	6,98,013
	3,41,86,772	2,64,60,513

* Fixed deposit with banks of ₹3,26,70,000/- (₹2,57,62,500/-) with maturity of more than 12 months & pledged.

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

		Amount in ₹	
		31st March, 2014	31st March, 2013
15. INVENTORIES			
A. Work-in-Progress			
Land		33,71,10,958	33,71,10,958
Work-in-Progress		3,58,28,27,213	2,01,86,33,379
	(A)	3,91,99,38,171	2,35,57,44,337
B. Trade Goods			
Debentures - Unquoted fully paid up			
Prajay Urban Private Limited			
24,480 Optionally Convertible Debentures of ₹10,000/- each		24,48,00,000	24,48,00,000
	(B)	24,48,00,000	24,48,00,000
	(A+B)	4,16,47,38,171	2,60,05,44,337
16. TRADE RECEIVABLES			
(Secured, considered good)			
Others		-	6,35,000
		-	6,35,000
17. CASH AND BANK BALANCES			
Cash and Cash Equivalents			
- In Current Accounts		2,77,04,950	98,01,823
- Escrow Account/Fractional Share Sale Proceeds		24,638	24,638
Cash in hand		79,533	63,161
Cheques in hand		4,41,00,000	1,23,42,544
Other Bank Balances			
- Fixed deposits with banks **		4,89,22,255	5,56,21,173
		12,08,31,376	7,78,53,339

** Fixed deposits with banks include deposits of ₹3,28,55,000/- (₹1,85,000/-) given as pledged.

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
18. SHORT-TERM LOANS AND ADVANCES		
(Unsecured considered good)		
Loans *		
- Related Party (Refer Note No. 30)	22,58,54,872	12,04,06,306
- Others	3,19,25,91,066	61,13,49,329
Security Deposits	-	6,02,516
Advances to Related Party (Refer Note No. 30)	-	2,35,85,030
Advances to Others	9,00,000	3,86,700
Advances to Contractors/Suppliers	57,73,55,320	36,41,27,779
Advance Income Tax	9,35,28,267	6,67,58,725
Balances with Government Authorities		
- Service Tax Credit Receivable	3,52,27,411	2,29,08,117
Prepaid Expenses	55,62,900	30,492
Advances to Employees	3,67,401	4,23,611
Other Receivables	2,87,31,106	9,58,45,786
	4,16,01,18,343	1,30,64,24,391

* Includes ₹ 20,53,60,000 given to companies with common directorship.

19. REVENUE FROM OPERATIONS		
Land	-	17,46,40,174
Profit on Sale of Subsidiaries	-	16,84,609
Profit on Sale of Associates	32,019	5,00,000
	32,019	17,68,24,783

20. OTHER INCOME		
Interest Income on		
- Loans Given	18,79,79,423	12,08,72,171
- Fixed Deposit	54,85,892	22,29,811
- Income Tax Refund	9,86,427	24,45,608
(A)	19,44,51,742	12,55,47,590
Dividend on Long - Term Investments	15,342	-
Profit on Sale of Fixed Assets	-	2,112
Nomination Charges	12,24,251	-
Miscellaneous Income	1,16,02,859	27,39,445
Liabilities Written back	13,029	4,36,910
(B)	1,28,55,481	31,78,467
(A+B)	20,73,07,223	12,87,26,057

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
21. (INCREASE)/DECREASE IN INVENTORIES		
I. Opening Stock		
Land	33,71,10,958	42,75,70,635
Work-in-Progress	2,01,86,33,379	1,00,12,27,784
Debentures	24,48,00,000	-
Finished Goods - Plots	-	2,69,62,714
	2,60,05,44,337	1,45,57,61,133
II. Closing Stock		
Land	33,71,10,958	35,31,82,869
Work-in-Progress	3,58,28,27,213	2,05,61,23,634
Debentures	24,48,00,000	-
	4,16,47,38,171	2,40,93,06,503
Net (Increase)/Decrease (I - II)	(1,56,41,93,834)	(95,35,45,370)
22. PURCHASES		
Flat (under Construction Flats)	-	6,70,09,600
	-	6,70,09,600
23. EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	13,95,08,118	9,47,97,741
Contribution to Provident and Other Funds	37,55,737	33,56,609
Staff Welfare Expenses	4,83,824	7,80,731
	14,37,47,679	9,89,35,081
24. FINANCE COSTS		
Interest Expenses	50,57,32,828	31,77,47,062
Other Borrowing Costs	19,70,413	13,76,64,814
	50,77,03,241	45,54,11,876
25. PROJECT EXPENSES		
Materials Consumed	39,25,96,864	35,23,31,469
Payments to Contractors	60,51,80,217	21,02,29,579
Consultation Fees	2,94,20,700	2,98,59,271
Sales Promotion & Advertisement Expenses	1,52,62,705	2,74,66,821
Insurance	10,87,507	21,43,115
Repair & Maintenance	21,93,301	24,63,539
Rent	5,12,160	11,09,664
Rates & Taxes	5,55,84,853	45,32,264
Travelling & Conveyance	99,74,735	53,48,877
Loss on Sale of Fixed Assets	4,230	-
Constructions Expenses	41,51,192	33,21,879
Other Operating Expenses	3,80,04,731	1,44,57,514
Auditors' Remuneration (Refer Note No. 31)	80,000	80,899
	1,15,40,53,195	65,33,44,891

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

	Amount in ₹	
	31st March, 2014	31st March, 2013
26. DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation and Amortisation	38,75,284	30,86,796
	38,75,284	30,86,796

27. OTHER EXPENSES		
Electricity Charges	21,75,828	11,98,583
Rent	18,81,668	25,65,920
Repair and Maintenance	19,50,530	23,03,957
Rates & Taxes	1,09,738	1,14,138
Advertisement & Publicity	1,14,416	2,02,014
Royalty	1,00,000	1,00,000
Travelling & Conveyance	17,43,131	13,25,741
Legal & Professional Fees	16,24,809	30,34,462
Share of Loss in Partnership Firm	84,33,499	17,55,171
Donation	-	1,50,100
Miscellaneous Expenses	31,41,625	40,54,407
Auditors' Remuneration (Refer Note No. 31)	8,47,056	6,15,367
	2,21,22,300	1,74,19,860

28. EARNINGS PER SHARE (EPS)

Earning per Share is calculated as follows :

Net Profit/(loss) after tax attributable to Equity Shareholders	7,55,02,035	(3,71,28,463)
Weighted average number of equity shares Basic and Diluted	2,42,98,392	2,42,98,392
Nominal value of Equity Share	2	2
Basic and Diluted Earnings per Share #	3.11	(1.53)

Emami Rainbow Niketan Private Limited, a 100% subsidiary of the Company, has issued Optionally Convertible Debentures (OCDs) which are in the nature of potential dilutive equity shares. However, the rate of conversion of such OCDs into equity shares will be decided on the date of maturity, in case the OCD holders opts for the conversion. Thus in absence of such conversion rate, Diluted EPS has not been calculated separately.

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

29. DEFINED BENEFIT PLANS

As per actuarial valuations as on 31st March, 2014 and recognised in the financial statement in respect of Employee benefit schemes

Amount in ₹

Particulars	31st March, 2014		31st March, 2013	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Unfunded	Unfunded	Unfunded	Unfunded
A. Components of Employer Expenses				
1. Current Service Cost	14,27,237	14,54,687	11,71,044	11,64,516
2. Interest Cost	2,19,682	2,20,518	1,06,558	86,172
3. Expected Return on plan assets	-	-	-	-
4. Actuarial Gain/Losses	3,21,807	3,95,301	-	-
5. Benefits paid	-	-	1,59,486	5,77,624
6. Total Expenses recognised in the Statement of Profit and Loss	19,68,726	20,70,506	14,37,088	18,28,312
B. Net asset/(liability) recognised in balance sheet as at 31st March, 2014				
1. Present value of Defined Benefits Obligation	45,53,220	45,65,381	25,84,494	26,93,767
2. Fair value of plan assets	-	-	-	-
3. Funded Status [Surplus / (deficit)]	(45,53,220)	(45,65,381)	(25,84,494)	(26,93,767)
4. Net asset/(liability) recognised in balance sheet	(45,53,220)	(45,65,381)	(25,84,494)	(26,93,767)
C. Change in Defined Benefit Obligation during the year ended 31st March, 2014				
1. Present value of DBO at beginning of period	25,84,494	26,93,768	11,47,406	9,79,917
2. Current Service Cost	14,27,237	14,54,687	11,71,044	11,64,516
3. Interest Cost	2,19,682	2,20,518	1,06,558	86,172
4. Actuarial gain/ Losses	3,21,807	3,95,301	1,59,486	5,77,624
5. Benefits paid	-	(1,98,893)	-	(1,14,462)
6. Present value of DBO at the end of period	45,53,220	45,65,381	25,84,494	26,93,767
D. Change in Fair Value of Assets				
1. Plan assets at beginning of period	-	-	-	-
2. Expected Return on Plan assets	-	-	-	-
3. Actuarial Gains	-	-	-	-
4. Actual company contributions	-	1,98,893	-	1,14,462
5. Benefits paid	-	(1,98,893)	-	(1,14,462)
6. Plan assets at the end of period	-	-	-	-
E. Actuarial Assumptions				
1. Discount Rate	8.50%	8.50%	8.50%	8.50%
2. Inflation Rate	6.00%	6.00%	5.00%	5.00%

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

30. RELATED PARTY DISCLOSURES

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

A. Associates

1. Roseview Developers Private Limited #
2. Bengal Emami Housing Limited #
3. Zandu Realty Limited*
4. Prajay Urban Private Limited #
5. Evergreen Block Construction Private Limited (Formerly Emami Canopy Projects Private Limited) #
(ceased to be an associate w.e.f. 27.12.2013)

An associate of Emami Realty Limited

* An associate of Emami Rainbow Niketan Private Limited

B. Partnership Firm

1. P S Srijan Projects

C. Key Management Personnel

1. Shri Girija Kumar Choudhary

D. Entities where Key Management Personnel and their relatives have significant control

1. Emami Nirman Private Limited (upto 14.05.2012)
2. Emami Projects Private Limited (upto 14.05.2012)
3. Senha Skyhigh Private Limited (upto 14.05.2012)
4. Emami Vriddhi Commercial Private Limited (upto 14.05.2012)
5. Anamika Kala Sangam Trust (upto 14.05.2012)
6. Supervalue Realty Private Limited (formely Emami Vedic Realty Private Limited) (upto 14.05.2012)
7. Prime Constructions Private Limited
8. Emami Estates Private Limited (upto 14.05.2012)
9. Aviro Vyapar Private Limited (upto 14.05.2012)
10. Emami Limited (upto 14.05.2012)

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

30. RELATED PARTY DISCLOSURES (Contd.)

ii) Transactions during the year with related parties:

Amount in ₹

Nature of Transactions	Associates		Key Management Personnel		Entities where Key Management Personnel and their relatives have Significant Influence		Total	
	31/3/2014	31/3/2013	31/3/2014	31/3/2013	31/3/2014	31/3/2013	31/3/2014	31/3/2013
Rent Paid	-	-	-	-	-	3,20,740	-	3,20,740
Repairs & Maintenance Paid	-	-	-	-	-	2,87,995	-	2,87,995
Electricity Charges	-	-	-	-	-	1,49,823	-	1,49,823
Royalty	-	-	-	-	-	12,500	-	12,500
Loan Taken	-	68,968	-	-	-	-	-	68,968
Loans Repaid	-	74,07,68,968	-	-	-	-	-	74,07,68,968
Interest Paid	20,46,623	3,96,61,623	-	-	-	-	20,46,623	3,96,61,623
Loan Given	13,88,10,000	6,81,55,000	-	-	-	-	13,88,10,000	6,81,55,000
Realisation of Loan Given	4,65,36,000	-	-	-	-	-	4,65,36,000	-
Interest Received	76,40,955	1,32,16,729	-	-	-	-	76,40,955	1,32,16,729
Advances Given	-	22,000	-	-	1,81,68,000	1,81,70,000	1,81,68,000	1,81,92,000
Realisation of Advances Given	54,17,030	-	-	-	-	-	54,17,030	-
Reimbursements	-	54,80,979	-	-	-	2,72,50,000	-	3,27,30,979
Sale of Land	-	50,00,000	-	-	-	-	-	50,00,000
Receipt from Partnership Firm	79,00,000	2,22,30,171	-	-	-	-	79,00,000	2,22,30,171
Remunerations Paid	-	-	25,47,600	15,75,495	-	-	25,47,600	15,75,495
Balance as on 31st March 2014								
Interest Payable	-	20,46,623	-	-	-	-	-	20,46,623
Loans Given	20,53,60,000	11,30,86,000	-	-	-	-	20,53,60,000	11,30,86,000
Interest Receivable	2,04,94,872	73,20,306	-	-	-	-	2,04,94,872	73,20,306
Advances Given	-	54,17,030	-	-	-	18,16,800	-	72,33,830
Advances Taken	12,50,000	12,50,000	-	-	-	-	12,50,000	12,50,000

	31st March, 2014	31st March, 2013
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31. AUDITORS REMUNERATION

As Auditors :		
Audit Fees	4,39,944	5,67,418
Tax Audit Fees	98,090	89,888
Domestic Transfer Pricing Fees	23,236	-
Fees for Limited Review	60,674	67,416
Certification Fees	2,25,112	8,624
	8,47,056	7,33,346

32. INVESTMENTS IN PARTNERSHIP FIRMS

Amount in ₹

I. Name of the Partners in P.S. Srijan	Profit Sharing Ratio		Capital		Current A/c	
	31/3/2014	31/3/2013	31/3/2014	31/3/2013	31/3/2014	31/3/2013
Emami Realty Limited	50%	50%	50,00,000	5,000,000	70,53,975	2,33,87,474
P. S. Group Realty Limited	25%	25%	25,00,000	25,00,000	34,84,440	1,16,51,189
Srijan Realty Private Limited (Formerly Srijan Realty Limited)	25%	25%	25,00,000	25,00,000	34,73,289	1,16,40,038
			1,00,00,000	1,00,00,000	1,40,11,704	4,66,78,701

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

Amount in ₹

II. Names of the Partners in Supervalue Nirman LLP	Profit Sharing Ratio		Capital	
	31/3/2014	31/3/2013	31/3/2014	31/3/2013
Creative Cultivation Private Limited	99%	0%	99,000	-
Emami Realty Limited	1%	0%	1,000	-
			1,00,000	-

33. Emami Realty Limited, wholly owned subsidiary of the Company, has entered into Joint Development Agreement with Oriental Sales Agencies (India) Private Limited for development of 14.4890 acres (approx) at 2 Jessore Road, Kolkata - 700 028.
34. **Secured Loans availed from :**
- Borrowings from ICICI Bank Limited is secured by first charge of immovable property at 2 Jessore Road, Kolkata - 700028, project receivables and additional security of a land parcel owned by third party coupled with the corporate guarantee by the said third party. Further, the loan is secured by fixed deposits of ₹ 5.15 crore along with corporate guarantee of Emami Infrastructure Limited, the Holding Company and Oriental Sales Agencies (India) Private Limited and personal guarantee of two former Directors of the Company. The loan carries interest at Base Rate + 3.25% p.a. and overdraft facility (sub limit of Term Loan) carries interest at Base Rate + 3.50%. First loan of ₹ 100 crores is repayable in 20 monthly installments of ₹ 5 crore each from 15th January, 2014 and second loan of ₹ 100 crores is repayable in 20 monthly installments of ₹ 5 crore each from 15th July, 2014.
 - Borrowings from ICICI Bank Limited is secured by equitable mortgage of land measuring 4.61 Acres situated at Kukatpally, Hyderabad including all the structures thereon both present and future and also additional security of a land parcel owned by third party coupled with corporate guarantee by the said third party. Further loan is secured by corporate guarantee of Emami Realty Ltd, Holding Company. Loan carries interest at I-base rate + 3% p.a and is repayable in 24 monthly installment of ₹ 3.33 Crores each from 15th April 2014.
35. a) Loan of ₹148 crores availed from Kotak Mahindra Prime Limited is secured by pledge of equity shares of third party. The loan carries interest at 12.25% and its repayment is subject to the exercise of put and call option upto 36 months from 3rd March, 2014.
- b) Loan of ₹40 crores availed from Tata Capital Finance Services Limited is secured by pledge of equity shares of third party. The loan carries interest at 11.80% and its repayment is subject to the exercise of put and call option upto 36 months from 8th February, 2014.
- c) Loan of ₹50 crores availed from Tata Capital Finance Services Limited is secured by pledge of equity shares of third party. The loan carries interest at 11.80% and its repayment is subject to the exercise of put and call option upto 36 months from 14th March, 2014.
36. Loan of ₹ 55 Crores availed from Axis Finance Limited is secured by pledge of equity shares by third party. The loan carries interest at 11.25%.
37. Against the Assignment Agreement entered by New Age Realty Pvt. Ltd. (New Age), a 60% Subsidiary of the Emami Realty Limited, with M/S Karthikeya Ancillaries Pvt. Ltd. (the landlord) for assignment of JDA entered into between the landlord and Presidium Construction Pvt. Ltd. for development of an immovable property situated at Coimbatore, the said landlord has served Termination Notice. New Age has taken requisite legal steps including filing of cases before the various Courts. The Company has challenged the termination itself. The legal proceedings are pending and the Company has been legally advised that the result of such proceedings are expected to be in its favour.
38. Emami Realty Limited (ERL), being 100% Subsidiary of the Company, has initiated the criminal proceedings against M/S Karthikeya Ancillaries Pvt. Ltd. & its directors with whom ERL has entered into Area Assignment Agreement for purchase of 28,750 sqft area in the proposed Shopping Mall at Coimbatore. The book value of total Investment in the project as on 31/03/2014 is ₹ 9,62,42,855/- (P.Y. ₹ 9,62,42,855/-). In view of this, the realisable value of such Investment is unascertainable. The matter is subjudice.

Notes to Consolidated Financial Statements (Contd.) for the year ended 31st March, 2014

39. During the year under review, the Board of Directors in their meeting held on 8th July, 2013 accorded their approval to the Scheme of Amalgamation of its wholly-owned subsidiary, Emami Realty Limited (ERL) with Zandu Realty Limited ("the Scheme") under the Companies Act, 1956 w.e.f. 1st April, 2013, being the Appointed Date. The Scheme was filed with the BSE Limited (BSE), being the Designated Stock Exchange and National Stock Exchange of India Limited (NSE) seeking in-principle approval under Clause 24(f) of the Listing Agreement. BSE vide its letter August 5, 2013 and NSE vide letter dated August 19, 2013, both addressed to Securities and Exchange Board of India (SEBI) have accorded their 'no-objection' to the said Scheme. Thereafter, vide Letter dated May 2, 2014, BSE has conveyed that the Exchange is unable to grant its "no-objection" to the Scheme in view of the observations made by SEBI. The Company is taking appropriate actions in the matter. Therefore, no effect of the Scheme has been given in these accounts.
40. The Group operates in a single business segment. Therefore, segment reporting as per AS - 17 notified by the Companies (Accounting Standard) Rules 2006 is not applicable.
41. Investments includes Goodwill on consolidation of Associates amounting to ₹ 1,41,331/- (₹ 1,42,710/-)
42. Since there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. Therefore Deferred tax assets of ₹ 1,47,37,657/- (₹ 96,48,790/-) arising on account of carried forward unabsorbed business losses and depreciation have not been recognised in the accounts as recommended under Accounting Standard (AS-22) on "Deferred Taxation" issued by the Institute of Chartered Accountants of India.
43. Contingent Liabilities not provided for in respect of:
- a. Corporate Guarantee of ₹ 355,00,00,000/- (P.Y. ₹ 210,00,00,000/-)
 - b. Disputed Direct Taxes (Net of Advance) ₹ 6,00,410/- (P.Y. ₹ 6,40,28,759/-)
 - c. Bank Guarantee of ₹ 1,85,000/- (P.Y. ₹ 21,30,302/-)
 - d. Commitments
 - i. Major Contracts Commitment Outstanding for Architects, Civil etc is ₹ 3,37,06,09,409/- (P.Y. ₹ 3,37,19,43,780/-)
44. The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
45. Since external and internal sources of information do not provide for any indication for impairment of fixed assets based on cash generating unit concept, no impairment is required during the year.
46. Previous year's figures have been rearranged or regrouped wherever necessary.

Abhijit Datta
Chairman

Girija Kumar Choudhary
Wholtime Director & CFO

Payel Jain
Company Secretary

Notes

Notes



emami* infrastructure limited

CIN: L45400WB2008PLC121426

Registered Office: Emami Tower, 2nd Floor, 687, Anandapur, E M Bypass, Kolkata-700107

☎ 033 6613 6264; 📠 91 33 6613 6249; ✉ infra@emamirealty.com;

Website : www.emamirealty.com,

NOTICE

NOTICE is hereby given that the 6th Annual General Meeting of the Members of Emami Infrastructure Limited will be held at Emami Tower, 687 Anandapur, E.M. Bypass, Kolkata - 700 107 on 5th September, 2014 at 2.30 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, 2014 together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Basant Kumar Parakh (DIN: 00103176), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013 and Rules made thereunder and pursuant to the 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 the Statutory Auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the 11th 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 and Clause 49 of the Listing Agreement, Mr. Abhijit Datta (DIN: 00790029), Independent Director whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director designated as Chairman of the Company to hold office for a term upto March 31, 2019 and whose office shall not, henceforth, 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 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 and Clause 49 of the Listing Agreement, Mr. Ram Gobind Ganeriwala (DIN: 00863042), Independent Director of the Company whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."
6. 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 and Clause 49 of the Listing Agreement, Mr. Hari Mohan Marda (DIN: 00855466), Independent Director of the Company whose period of office was liable to determination by

retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Amar Bhalotia (DIN: 00642662), Independent Director of the Company whose period of office was liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto March 31, 2019 and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation."

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

RESOLVED THAT pursuant to Section 14 of the Companies Act, 2013, the Articles of Association of the Company be and is hereby altered in the following manner:

a) In definition clause of Article 2.(1), the following definition be inserted:

"Electronic mode" means carrying out electronically-based transactions whether main server is installed in India or not, including, but not limited to:

- i. business-to-business and business-to-consumer transactions, data interchange and other digital supply transactions;
- ii. offering to accept deposits or inviting deposits or accepting deposits or subscriptions in securities, in India or from citizens of India;
- iii. financial settlements, web-based marketing, advisory and transactional services, database services and products, supply chain management;
- iv. online services such as telemarketing, telecommuting, telemedicine, education and information research; and all related data communication services
- v. facsimile telecommunication when directed to the facsimile number or electronic mail directed to electronic mail addresses, using any electronic communication mechanism that the message so sent, received or forwarded is storable and retrievable;
- vi. posting of an electronic message board or network that the Company or the officer has designated for such communications, and which transmission shall be validly delivered upon the posting; or
- vii. other means of electronic communication, in respect of which the Company or the officer has put in place reasonable systems to verify that the sender is the person purporting to send the transmission; and
- viii. video conferencing, audio- visual mode, net conferencing and/or any other electronic communication facility.

b) A new Clause 115(3) is being inserted under Article 115(2) which is as under:

"115(3). Voting by members through electronic mode

A member may also exercise his vote at a General Meeting by electronic mode in accordance with Section 108 of the Companies Act 2013 and Rules made thereunder and shall be eligible to vote only once for a single resolution."

c) The existing Article 159 is being substituted by a new Article which is as under:

"159. Participation in Meeting of the Board by Directors through electronic mode

Notwithstanding anything contained herein, the director(s) may participate in the meeting(s) of the Board or any Committee thereof through electronic mode by video conferencing or other audio visual modes as may be prescribed, and the Director(s) so participating shall be deemed to be present at the meeting for the purposes of quorum, voting, recording of minutes and all other relevant provisions in this regard by following procedure specified under applicable laws for the time being in force and rules, regulations, circulars, notifications, guidelines etc. issued / to be issued from time to time by competent/statutory authority(ies)."

d) A new Article 182A is being inserted after Article 182 which is as under:

"182A. Maintenance of registers and records in electronic mode

Notwithstanding anything contained in these Articles, registers, index, agreement, memorandum, minutes, books of accounts or any other document required to be kept by the company under the Companies Act, 2013 may be kept in electronic form in such form and manner as may be prescribed under Section 120 of the Companies Act, 2013 and rules made thereunder."

- e) A new Article 185A is being inserted after Article 185 which is as under:

"185A. Service of documents through electronic mode

Notwithstanding anything contained in these Articles and as per Section 20 & 134 of the Companies Act, 2013 read with Rules made thereunder, a Company may serve copies of the Balance Sheet, Statement of Profit and Loss, Auditors' Report, Directors' Report, Notice of the General Meeting along with explanatory statements etc. and any other documents to the members through electronic mode, by following conditions laid down under the relevant Rules."

- f) A new Article 190 is being inserted after Article 189 which is as under:

190. "General Clause"

The intention of these Articles is to be in consonance with the contemporary Act, Rules and Regulations prevailing in India. If there is an amendment in any Act, Rules and Regulations allowing what was not previously allowed under the statute, the Articles herein shall be deemed to have been amended to the extent that Articles will not be capable of restricting what has been allowed by the Act by virtue of an amendment subsequent to registration of the Articles. In case of any of the provisions contained in these Articles is inconsistent or contrary to the provisions of the Companies Act 2013 and Rules made thereunder, the provisions of the Companies Act 2013 and rules made thereunder shall override the provisions of these Articles and these Articles shall be deemed to have been amended to include such provisions of the Companies Act, 2013. All references to sections of Companies Act, 1956 shall be deemed to include the corresponding sections/provisions of the Companies Act, 2013, if any."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all the requisite, incidental, consequential and necessary steps and to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate in the best interest of the Company, to settle any question, query, doubt or difficulty that may arise in this regard, as may be necessary and required for giving effect to this resolution".

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

"RESOLVED THAT in partial modification of the resolution passed by the shareholders in the Annual General Meetings held on 21st September 2012 and 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 payment of such remuneration to Mr. Girija Kumar Choudhary as the Whole-time Director & CFO of the Company as set out in the Explanatory Statement annexed to the notice convening the meeting, with liberty to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination & Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto.

RESOLVED FURTHER THAT in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder Mr. Girija Kumar Choudhary, Whole Time Director & CFO of the Company, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Whole-time Director & CFO, in accordance with the provisions of Schedule V to the Companies Act, 2013.

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".

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

"RESOLVED THAT in supersession of all earlier resolution passed under Section 293(1)(d) of the Companies Act, 1956 and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies in any form from one or more bodies corporate, banks, financial institutions, or from other entity by way of advances, loans, debentures/bonds or any other security(ies) or otherwise and whether secured or unsecured, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not, at any time, exceed the limit of ₹ 500 Crores.

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

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

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 and all other applicable provisions, if any, of the said Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in supersession of resolution passed on 22nd December 2009 under section 372A of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof/ or any director duly authorized in this respect by the Board), to acquire, by way of subscription, purchase, conversion or otherwise, the Equity Shares, Preference Shares, Bonds & Debentures (whether redeemable, convertible or non-convertible) or any other securities of any body corporate or company or any other entity or by contribution to the capital of LLPs in one or more tranches, in excess of the 60% of the aggregate of the paid-up share capital and free reserves or 100% of the free reserves of the Company on such terms and conditions as the "Board" may in its absolute discretion deem beneficial and in the interest of the Company provided that the maximum aggregate amount together with the existing investment, shall not exceed ₹200 Crore at any time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the "Board" be and is hereby authorised to negotiate the terms and conditions and all other related matters in connection with above and to finalize, settle and execute such documents/ deeds / papers as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate all or any of the above powers to the Director(s) of the Company or any person nominated by Directors and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental in this respect."

By Order of the Board

Place: Kolkata

Payel Jain

Date: May 30, 2014

Company Secretary

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/ herself and the proxy need not be a member of the Company. The instrument appointing a proxy should, however, 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 shareholder.

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. 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.
4. Pursuant to the provision of section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from 1st day of September, 2014 to 5th day, the September, 2014, (both days inclusive).
5. A statement containing details of the Directors seeking appointment/re-appointment at the Meeting as required under clause 49 of the Listing Agreement is annexed.
6. 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.
7. 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.
8. Members / Proxies are requested to bring their Attendance Slip sent herewith, duly filled in, for attending the Meeting.
9. The members of the Company who have not yet encashed the fractional entitlement of shares of the Company upon the De-merger of 'Realty Undertaking' of Emami Limited are requested to forward the warrants to the Company/RTA for revalidation of the same.

10. 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.
11. Electronic copy of the Annual Report for 2013-14 and Notice of the 6th Annual General Meeting of the Company interalia 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 Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 6th Annual General Meeting of the Company interalia 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 6th Annual General Meeting and Annual Report for 2013-14 will also be available on Company's website at www.emamirealty.com for their download.
12. **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.**
13. Voting through electronic means
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the Company is pleased to provide members, the facility to exercise their right to vote by electronic means at the 6th Annual General Meeting (AGM) and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).
- The instructions for members for voting electronically are as under:**
- The voting period begins on Thursday, 28th August, 2014 from 10:00 a.m. (IST) and ends on Saturday, 30th August, 2014 6:00 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 18th July 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - The shareholders should log on to the e-voting website www.evotingindia.com
 - Click on "Shareholders" tab.
 - Now, select "EMAMI INFRASTRUCTURE LIMITED" from the drop down menu and click on "SUBMIT"
 - Now Enter your User ID:
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - 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.
 - If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and in Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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. 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.
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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>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.</p>

- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for "EMAMI INFRASTRUCTURE LIMITED".
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the Voting page.
- (xviii) 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.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - 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.
- (xx) 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.
- (xxi) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company
- (xxii) The Board of Directors of the Company at their meeting held on 30th May, 2014 has appointed Mr. Manoj Kumar Banthia, Practicing Company Secretary (ACS No. 11470, CP No. 7596) of MKB & Associates 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 announced at the Annual General Meeting of the company to be held at Emami Tower, 687 Anandapur, E.M. Bypass, Kolkata-700107 on Friday, 5th September, 2014 at 2.30 P.M. The results of the voting will be communicated to the stock exchanges and also be hosted on the website of the company www.emamirealty.com
- (xxiv) In case of members receiving the physical copy they are advised to follow all steps from serial no. (i) to (xvii) above.

By Order of the Board

Place: Kolkata
Date: May 30, 2014

Payel Jain
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF RESOLUTIONS AT ITEMS FROM 4 TO 10 (BOTH INCLUSIVE)

Item No. 4 to 7

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. Abhijit Datta, Mr. Hari Mohan Marda, Mr. Ram Gobind Ganeriwala and Mr. Amar Bhalotia, Independent Directors were appointed by the Members of the Company. The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years and shall not be liable to retire by rotation at every AGM.

Accordingly, in compliance of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013, Mr. Abhijit Datta, Mr. Hari Mohan Marda, Mr. Ram Gobind Ganeriwala and Mr. Amar Bhalotia, being eligible and offering themselves for appointment, are proposed to be appointed as Independent Directors of the Company who shall hold office from the date of this Annual General Meeting for a term upto 31st March 2019. A Notice pursuant to Section 160 of the Companies Act, 2013, with the required deposit has been received from the shareholders signifying their intention to propose the appointment of above persons as Directors of the Company.

In the opinion of the Board, Mr. Abhijit Datta, Mr. Hari Mohan Marda, Mr. Ram Gobind Ganeriwala and Mr. Amar Bhalotia fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for appointment as Independent Directors of the Company and they are independent of the management. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company www.emamirealty.com.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Abhijit Datta, Mr. Hari Mohan Marda, Mr. Ram Gobind Ganeriwala and Mr. Amar Bhalotia as Independent Directors, for the approval by the shareholders of the Company. A brief profile of proposed Independent Directors, including nature of their expertise, is provided as Annexure to the Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions.

Item No. 8

Due to the enactment of majority provisions of the Companies Act 2013, certain changes are required to be made in the Articles of Association of the Company. Some new articles/clauses are proposed to be inserted in relation to use of electronic mode for voting by members, participation in meeting of the Board by Directors, service of documents and maintenance of registers and records.

A general clause is also proposed to be inserted to the effect that if any provision as mentioned in the articles is inconsistent with the provisions of the Companies Act, 2013 and Rules made thereunder, then the provisions of the Companies Act 2013 and Rules made thereunder shall override the provisions of these Articles.

The Board therefore recommends the resolution under Section 14 of the Companies Act 2013 as a special resolution for your approval.

None of the Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution.

A copy of the Articles of Association of the Company together with the proposed alterations is 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. 9

Mr. Girija Kumar Choudhary was appointed as the Whole-time Director & CFO of the Company with effect from 15th May, 2012 for a period of 5 years. The appointment and terms & conditions of appointment including remuneration was duly approved by the shareholders at their meeting held on 21st September, 2012 and 12th August, 2013. Subsequent to such approval by the shareholders, the Board of Directors of the Company, in view of the market conditions and overall role played by Mr. Girija Kumar Choudhary, Whole-time Director & CFO and on recommendations of the Nomination and Remuneration Committee and subject to approval of members, has revised the remuneration payable to Mr. Choudhary in their meeting held on 11th November, 2013 which was further revised by the Board on 24th April, 2014 under the provisions of Sections 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The broad particulars of revision in remuneration to the Whole-time Director and CFO during his term of Office are as under:

- (a) Basic Salary of ₹ 1,75,000/- per month with perquisites and other benefits including contribution to Provident Fund, contribution to National Pension Scheme, LTA etc. for the financial year 2013-2014 as per agreement dated 11th November, 2013;

- (b) Basic Salary of ₹ 2,00,000/- per month with HRA, perquisites and other benefits including contribution to Provident Fund, contribution to National Pension Scheme, LTA etc. for a period of 3 (THREE) years with effect from 1st April 2014 as per agreement dated 24th April, 2014;
- (c) All the other terms and conditions of appointment of Whole-time Director & CFO as approved by shareholder at their meeting held on 15th May, 2012 remain unaltered.

The disclosures as required under Section II, Part II of the Schedule V of the Companies Act, 2013 are stated hereinbelow:

General information:				
1	Nature of Industry		Real Estate	
2	Date or expected date of commencement of commercial production		The Company is in business since 2008	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus		Not Applicable	
4	The financial performance of the Company during the preceding three financial years is as under: (₹ in Lakhs)			
Particulars		2013-14	2012-13	2011-12
Total Income		28.99	175.17	468.76
Total Expense		60.51	46.67	340.02
Profit /(Loss) before Tax		(31.52)	128.50	128.74
Less : Tax Expense		—	44.29	25.76
Profit / (Loss) after Tax		(31.52)	84.21	102.98
5	Foreign investments or collaborators, if any			NIL
Information about the appointee:				
1	Background details		Mr. Girija Kumar Choudhary is a B.Com (Hons) Gold Medalist and a Chartered Accountant. He has more than 27 years of experience in the industry and profession.	
2	Past remuneration		As a Whole-time Director and CFO, Mr. Choudhary received remuneration as approved by the members at the 4 th and 5 th Annual General Meeting held on September 21, 2012 and August 12, 2013 respectively. His remuneration which comprised of salary, monetary value of perquisites, allowances and contribution to National Pension Fund was ₹17.98 Lakhs during the year ended March 31, 2013 and ₹26.86 Lakhs during the year ended March 31, 2014.	
3	Recognition or awards		B.Com (Hons) Gold Medalist	
4	Job profile and his suitability		<p>The role of Mr. Choudhary as Whole-time Director & CFO of the Company includes overall responsibility for the growth and day to day business activity of the Company. He provides the necessary strategic direction to all business lines/interests of the Company. He is instrumental in the overall business development of the Company as well.</p> <p>Keeping in view his working with the Company and his prior experience and positions held with various Corporates, he is suitable for the present position. The Company derives a lot of benefit from his diverse professional expertise and experience at Board Level and as well as in Operations of the Company. He is the key person in strategic decision making on critical issues in the business and management of the Company.</p>	

5	Remuneration proposed	As set out in the Explanatory Statement
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration proposed to be paid to Mr. Choudhary is in line with remuneration of Whole-time Directors & CFOs of other companies, keeping in view his job profile, the size of operations and complexity of business of the Company.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Apart from receiving remuneration as stated above, he does not receive any emoluments from the Company. Mr. Choudhary is not related to any director of the Company.
Other Information:		
1	Reasons of loss or inadequate profits	The Company has interest in various real estate projects through its subsidiaries and associates. Such investment in subsidiaries and associates are its strategic investments.
	Steps taken or proposed to be taken for improvement	
	Expected increase in productivity and profits in measurable terms	
Disclosures :		
1	Remuneration package of the managerial personnel	As set out in the Explanatory Statement
2	Disclosures to be mentioned in the Board of Director's Report under the head "Corporate Governance", if any attached to the annual report	The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of the Company.

The Board recommends the resolution at item no. 9 for your approval.

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

Copy of the Agreements dated 11th November, 2013 and 24th April, 2014 referred to above is 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.10

The shareholders of the Company had by an ordinary resolution passed in an Extra-Ordinary General Meeting held on 30th November, 2009 authorized the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding ₹500 Crores over and above the paid up capital of the Company and its free reserves, for the business of the Company. However, Section 180(1)(c) of the Companies Act, 2013 provides that the Board of Directors of a company shall exercise the said power only with the consent of the Company by a special resolution.

The Ministry of Corporate Affairs has vide its Circular No.4/2014 dated 25th March, 2014 clarified that the Resolution passed under Section 293 of the Companies Act, 1956 prior to 12th September, 2013 with reference to borrowings will be valid for a period of one year from the date of notification of Section 180 of the Act. The said period expires on 11th September, 2014. Pursuant to the above clarification, it is proposed to seek approval of the Members under Section 180(1)(c) of the Companies Act, 2013.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the shareholders.

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. 11

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company cannot make any loan, investment or give guarantee or provide any security to any body corporate or person beyond the prescribed ceiling of 60% of the aggregate of the paid up capital and free reserves or 100% of its free reserves, whichever is more, unless a Special Resolution is passed by the shareholders of the lending/investing Company.

Your Company is engaged in the business of providing infrastructural facilities as defined in Schedule VI to the Companies Act, 2014 (effective from April 1, 2014). Clause (a) of Sub-section (11) of Section 186 of the Act provides exemption to such companies from complying with the requirements of Section 186 [except sub-section (1) of Section 186] in relation to making loan/providing guarantee or security in connection with loan.

Having regard to the current level of operations of the Company, the Board of Directors of your Company proposes to seek approval of the Members for acquiring, by way of subscription, purchase, conversion or otherwise, the Equity Shares, Preference Shares, Bonds & Debentures or any other securities of any body corporate or company or any other entity or by contribution to the capital of LLPs upto an aggregate amount not exceeding ₹ 200 Crores as specified in the above resolution. The resolution proposed is in supersession of the resolution passed by the members on 22nd December 2009.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

Except Directors or KMP of the Company who are / may be Directors / shareholders in the bodies corporate in which investments may be made by Company, none of the Directors, KMP or their relatives is concerned or interested in the said resolution.

By Order of the Board

Place: Kolkata

Payel Jain

Date : May 30, 2014

Company Secretary

Annexure

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

- Mr. Abhijit Datta** is an Independent Director on the Board of the Company designated as Chairman since February 6, 2013. He was born on June 1, 1949. Mr. Datta is Post -Graduate in Economics and successfully completed both parts of Certified Indian Institute of Bankers Examination. He has started his career as a Probationary Officer in the State Bank of India and reached to the position of Dy. Managing Director and Corporate Development Officer. Mr. Datta retired from SBI as Deputy Managing Director (DMD) & Group Executive - Mid Corporate Group at the Central Office in the year 2009 after a distinguished career spanning three decades. He has vast experience and expertise in fields of banking, finance and corporate management in SBI and has held prestigious positions such as DMD & Chief Development Officer, DMD & Group Executive (Mid Corporate Group), Chief General Manager (Chennai Circle), Principal of the State Bank Staff College, Hyderabad, etc. He was the Chairman of Asset Reconstruction Company (India) Limited from June 2009 to November 2012. He does not hold any shares in the Company. He is not related to any other Director of the Company.

Other Directorships	Other Committee Memberships
Name of Company	Name of Committee
Zandu Realty Ltd. Cable Corporation of India Ltd. Bengal Tea & Fabrics Ltd. Hubtown Ltd.	Zandu Realty Ltd. Business Re-organisation/Re-structuring Committee, <i>Chairman</i> Corporate Social Responsibility Committee, <i>Chairman</i> Cable Corporation of India Ltd. Audit Committee, <i>Member</i> Bengal Tea & Fabrics Ltd. Audit Committee, <i>Chairman</i> Remuneration Committee, <i>Member</i> Investors' Grievance Committee, <i>Member</i>

2. **Mr. Hari Mohan Marda** is a Non-Executive Independent Director on the Board of the Company since January 25, 2010. He was born on January 1, 1943. He is a Chartered Accountant and has more than 4 decades of experience in the areas of accounting, corporate planning, strategy formulation and overall management. Mr. Marda does not hold any shares in the Company. He is not related to any other Director of the Company.

Other Directorships	Other Committee Memberships
Name of Company	Name of Committee
Zandu Realty Ltd. Emami Paper Mills Ltd. Emami Realty Ltd. Chandra Mukhi Impex Ltd Prabhu Poly Color Ltd. Prabhu Poly Pipes Ltd.	Zandu Realty Ltd. Audit Committee, <i>Chairman</i> Stakeholders Relationship Committee, <i>Chairman</i> Business Re-organisation/Re-structuring Committee, <i>Member</i> Nomination and Remuneration Committee, <i>Member</i> Emami Paper Mills Ltd. Audit Committee, <i>Member</i> Investors Grievance Committee, <i>Member</i> Remuneration Committee, <i>Member</i>

3. **Mr. Amar Bhalotia** is a Non-Executive Independent Director on the Board of the Company since January 25, 2010. He was born on February 29, 1984. He is a Graduate and PGDM from Symbiosis Centre for Management, Pune and possesses extensive knowledge and experience of real estate and has been involved in various real estate deals / investments in almost all major cities and across all assets class. Prior to this, he was working in the real estate transaction advisory Services in Ernst & Young India Ltd. and had been involved with a lot of advisory and fund raising. He does not hold any shares in the Company. He is not related to any other Director of the Company.

Other Directorships	Other Committee Memberships
Name of Company	Name of Committee
Zandu Realty Ltd. Riviera Finvestrade Ltd. Pamposh Commercial Company Ltd. Don Leasing & Financial Consultancy Pvt. Ltd. Cameron Holdings Company Pvt. Ltd. Rotary Investments & Finance Company Pvt. Ltd.	Zandu Realty Ltd. Audit Committee, <i>Member</i> Stakeholders Relationship Committee, <i>Member</i> Nomination and Remuneration Committee, <i>Member</i>

4. **Mr. Ram Gobind Ganeriwala** is a Non-Executive Independent Director on the Board of the Company since January 25, 2010. He was born on January 14, 1946. He is a Chartered Accountant and has experience in diversified businesses, accounting and corporate planning. He does not hold any shares in the Company. He is not related to any other Director of the Company.

Other Directorships	Other Committee Memberships
Name of Company	Name of Committee
Ganapati Nirman Pvt. Ltd. Suave Business Pvt. Ltd.	None

5. **Mr. Basant Kumar Parakh** is a Non-Executive Director on the Board of the Company since November 14, 2011. He was born on September 2, 1961. He is a B.com Graduate and has around 22 years of experience in Real Estate Industry & Development. He does not hold any shares in the Company. He is not related to any other Director of the Company.

Other Directorships	Other Committee Memberships
Name of Company	Name of Committee
Emami Realty Limited Narcissus Abasan Limited Orbit Homes Private Limited Swastik Promoters Private Limited Tirupati Tower Private Limited Orbit Projects Private Limited Orbit Realty Infrastructure Limited A. Raj Abasan Private Limited Short Developers Private Limited Satyam Housing Nirman Private Limited Basera Enclave Makers Private Limited New Age Realty Private Limited Trimurti Grihanirman Private Limited Prime Constructions Private Limited Bonanza Realtors Private Limited Orbit Abasan Private Limited Orbit Niketan Private Limited Orbit Leisure & Lounge Private Limited Lifelong Niketan Private Limited Trimurti Nivas Private Limited Trimurti Kunj Private Limited Trimurti Villa Private Limited Trimurti Vatika Private Limited Trimurti Aavas Private Limited Corporate Service Apartments Hotels Private Limited Excel Revamp & Techno-Engineering Private Limited Credai Bengal Mani Towers Flat Owners Association	None