

To  
The Board of Directors  
Emami Realty Limited  
Kolkata

**Independent Auditor's certificate**

1. This certificate is issued in terms of our engagement letter dated 01-09-2021.
2. We, the statutory Auditor of Emami Realty Limited ( " the Company" ) , have examined Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit & Loss (including other comprehensive income) for the year ended on that date and a summary of significant accounting policies and other explanatory information annexed thereto. That the audited accounts for the year ended March 2020 earlier approved by the Board Of Directors in the meeting held on 30<sup>th</sup> June,2020 have now revised to give effect to the said scheme of arrangement.

**Management's Responsibility**

3. The preparations of the financial statements are the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents.
4. The management is also responsible for ensuring that the Company complies with the requirements of relevant laws and regulations as may be applicable to the Company and their competent authorities.

**Auditor's responsibility**

5. It is our responsibility to provide reasonable assurance in the form of an opinion based on our examination of books and records as to whether Balance Sheet as at 31<sup>st</sup> March, 2020, the Statement of Profit & Loss (including other comprehensive income) has been accurately extracted from the accounts and other relevant records of the company.
6. We conducted our examination of the Financial Statements in accordance with the Guidance Note on Report or Certificates for Special Purpose issued by The Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by The Institute of Chartered Accountants of India.



# Agrawal Tondon & Co.

CHARTERED ACCOUNTANTS

Firm Registration No. : 329088E

Room No. : 7, 1st Floor, 59 Bentinck Street  
Kolkata - 700 069

Website - www.agrawalsanjay.com

E-mail Id : agrawaltondon2019@gmail.com

7. We have complied with the relevant applicable requirement of the Standard on Quality Control (SQC) 1, Quality control for firms that perform audits and reviews of historical financial information and other assurance and related services engagements.

## Opinion

8. In our opinion and to the best of our information and according to explanation given to us, the said accounts give a true and fair view:-
- In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2020;
  - In the case of the Statement of Profit & Loss, of the Loss of the Company for the year ended on 31<sup>st</sup> March, 2020.

## Restriction on use

- 9 This balance sheet has been prepared solely for the use in preparing revised income tax return of the Company under the Income Tax Act, 1961 for the financial year ended 31<sup>st</sup> March, 2020 in accordance with the Scheme of Arrangement as referred to in Note No. 52 to the financial statements. It is not to be used for any other purpose, or referred to in any other document, or distributed to anyone other than income tax authorities.

For **AGRAWAL TONDON & CO.**

*Chartered Accountants*

Firm Registration No.: 329088E



*Radhakrishan Tondon*

**Radhakrishan Tondon**

*Partner*

Membership No.: 060534

Place: Kolkata  
Date: 29-11-2021  
UDIN:

21060534AAAA FF 7322

	Note	As at 31st March 2020	As at 31st March 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	106.50	84.24
Investment Property	2	3,765.55	5,936.51
Intangible Assets	2	49.24	63.00
<b>Financial Assets</b>			
Investments	3	26,127.91	19,146.45
Loans	4	35,100.56	37,099.24
Other Financial Assets	5	725.00	725.00
Deferred Tax Assets (Net)	6	2,828.15	425.40
Other Non Current Assets	7	169.57	122.47
<b>Total Non-Current Assets</b>		<b>68,872.48</b>	<b>63,602.31</b>
<b>Current Assets</b>			
Inventories	8	77,304.06	1,43,409.39
<b>Financial Assets</b>			
Investments	9	399.56	399.56
Trade Receivables	10	7,125.34	1,513.15
Cash and Cash Equivalents	11	1,388.34	816.26
Bank Balance other than above	12	306.14	465.73
Loans	13	1,33,188.49	1,18,679.77
Other Financial Assets	14	7,323.35	1,798.90
Current Tax Assets (Net)	15	1,525.28	1,373.06
Other Current Assets	16	2,577.88	7,527.64
<b>Total Current Assets</b>		<b>2,31,138.44</b>	<b>2,75,983.46</b>
<b>TOTAL ASSETS</b>		<b>3,00,010.92</b>	<b>3,39,585.77</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	17	756.88	558.78
Other Equity	18	10,586.47	15,682.93
<b>Total Equity</b>		<b>11,343.35</b>	<b>16,241.71</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	19	79,271.29	71,915.71
Other Non-Current Liabilities	20	3,710.45	951.32
Provisions	21	118.93	129.33
<b>Total Non-Current Liabilities</b>		<b>83,100.67</b>	<b>72,996.36</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	22	1,38,866.27	1,19,817.34
Trade Payables	23		
Total outstanding dues of Micro Enterprises and Small Enterprises		20.18	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		1,964.98	990.94
Other Financial Liabilities	24	56,399.96	77,523.14
Other Current Liabilities	25	4,839.72	51,884.12
Provisions	26	3,475.79	132.16
<b>Total Current Liabilities</b>		<b>2,05,566.90</b>	<b>2,50,347.70</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,00,010.92</b>	<b>3,39,585.77</b>

Summary of Significant Accounting Policies and Notes to Financial Statements

1 to 58

As per our certificate of even date  
For AGRAWAL TONDON & CO,  
Chartered Accountants  
Firm Registration No. 329088E

Radhakrishnan Tondon  
Partner  
M. No. 060534  
Place: Kolkata  
Date: 29/11/2021



*Harish Mahant Marda*  
Hari Mahant Marda  
Director  
DIN: 00855466

*Rajendra Agarwal*  
Rajendra Agarwal  
Chief Financial Officer

*Dr. Nitesh Kumar Gupta*  
Dr. Nitesh Kumar Gupta  
Managing Director & CEO  
DIN: 08756907

*Papeel Agarwal*  
Papeel Agarwal  
Company Secretary  
ACS 22418

**EMAMI REALTY LIMITED****Statement of Profit and Loss for the year ended 31st March, 2020 (Revised) for tax purposes only**

(₹ in Lakhs)

Particulars	Note	Year ended 31st March, 2020	Year ended 31st March, 2019
<b>INCOME</b>			
Revenue from Operations	27	1,02,644.94	6,451.81
Other Income	28	19,191.38	13,080.47
<b>Total Revenue (I)</b>		<b>1,21,836.32</b>	<b>19,532.28</b>
<b>EXPENSES</b>			
Purchases	29	552.74	711.17
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	30	74,075.58	(28,918.14)
Employee Benefits Expense	31	1,837.54	1,645.72
Finance Costs	32	37,043.87	26,706.82
Project Expenses	33	14,995.17	18,669.96
Depreciation & Amortisation Expense		225.51	72.89
Other Expenses	34	402.26	441.78
<b>Total Expenses (II)</b>		<b>1,29,132.67</b>	<b>19,330.20</b>
<b>Profit/(Loss) before tax (I-II)</b>		<b>(7,296.35)</b>	<b>202.08</b>
<b>Tax Expenses</b>			
Current Tax		-	-
Deferred Tax		(2,400.67)	123.75
Income Tax for Earlier Years		(4.62)	5.33
<b>Profit/(Loss) for the year</b>		<b>(4,891.06)</b>	<b>73.00</b>
<b>Other Comprehensive Income</b>			
Items that will not be subsequently reclassified to statement of Profit or Loss			
Remeasurements gains/(loss) on the defined benefit plan		(6.00)	(0.00)
Changes in fair valuation of equity Instruments		-	250.00
Income Tax on above		2.08	0.00
<b>Total Other Comprehensive Income/(Loss) for the year</b>		<b>(3.92)</b>	<b>250.00</b>
<b>Total Comprehensive Gain/(Loss) for the year</b>		<b>(4,894.98)</b>	<b>323.00</b>
<b>Earnings per Equity Share of face value of ₹2/- each</b>			
<b>Basic &amp; Diluted</b>	35	(12.92)	0.26

₹0.00 represents amount less than ₹1,000

Summary of Significant Accounting Policies and Notes to Financial Statements

1 to 58

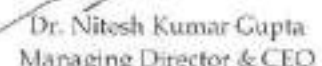
As per our certificate of even date  
For AGRAWAL TONDON & CO.  
Chartered Accountants  
Firm Registration No. 329088E



**Radhakrishnan Tondon**  
Partner  
M. No. 060534  
Place: Kolkata  
Date: 29/11/2021

  
Hari Mohan Manda  
Director  
DIN: 00855466

  
Rajendra Agarwal  
Chief Financial Officer

  
Dr. Nitesh Kumar Gupta  
Managing Director & CEO  
DIN: 08756907

  
Payel Agarwal  
Company Secretary  
ACS 22418



**EMAMI REALTY LIMITED**

Statement of Changes in Equity for the year ended 31st March 2020

a. Equity Share Capital

	(₹ in Lakhs)
Balance at 1st April 2018	465.97
Changes in Equity Share Capital During the Year, 2018-19	72.83
Balance at 31st March 2019	538.78
Changes in Equity Share Capital During the Year, 2019-20	-
Share Capital Suspense Account	198.10
Balance at 31st March 2020	736.88

b. Other Equity

Particulars	Reserve & Surplus				Other Comprehensive Income		Total
	Capital Reserve	Revaluation Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Other Items of Other Comprehensive Income	
Balance at 1st April 2018	2,789.75	967.90	11,648.88	(47.20)	-	0.66	15,359.93
Profit for the year	-	-	-	73.60	250.00	-	323.60
Balance at 31st March 2019	2,789.75	967.90	11,648.88	25.74	250.00	0.66	15,682.93
Less: Adjustment for Adoption of IND AS-116	-	-	-	(3.37)	-	-	(3.37)
Add/(Less): Amount transferred from Revaluation Reserve	-	(802.26)	-	802.26	-	-	-
Less: Transferred on Scheme of Arrangement	(198.10)	-	-	-	-	-	(198.10)
Profit/(Loss) for the year	-	-	-	(4,891.07)	-	(3.92)	(4,894.99)
Balance at 31st March 2020	2,591.65	165.64	11,648.88	(4,066.34)	250.00	(3.26)	10,546.47

As per our certificate of even date  
For AGRAWAL TONDON & CO.  
Chartered Accountants  
Firm Registration No. 329088C

**Radhakrishnan Tondon**  
Partner  
M. No. 060534  
Place Kolkata  
Date 29/11/2021

**Hari Mohan Murda**  
Director  
DIN: 0083546

**Rajendra Agarwal**  
Chief Financial Officer

**Dr. Nilesh Kumar Gupta**  
Managing Director & CEO  
DIN: 08726907

**Pooja Agarwal**  
Company Secretary  
ACS: 22448



# **EMAMI REALTY LIMITED**

## **Notes to Financial Statements**

### **1.1 Corporate Overview**

Emami Realty Limited is a public company domiciled in India and incorporated on 4<sup>th</sup> January, 2008 under the provisions of the Companies Act applicable in India. Its shares are listed on the BSE Limited (BSE), The National Stock Exchange of India Limited (NSE) and The Calcutta Stock Exchange Limited (CSE). The registered office of the Company is located at Acropolis, 13<sup>th</sup> Floor, 1858/1 Rajdanga Main Road, Kasba, Kolkata - 700107.

The Company is carrying on the business of real estate development.

The standalone Ind AS Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2020 were authorised for issue in accordance with a resolution of the Board of Directors on 30<sup>th</sup> June, 2020 and without given effect to the Scheme of Arrangement refer Note No. 52 subsequently their account have been prepared given effect to the said scheme, for tax purposes.

### **1.2 Basis of Preparation of Financial Statements**

These standalone financial statements for the year ended 31<sup>st</sup> March 2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules 2016. These financial statements are prepared under the historical cost conversion on the accrual basis except for certain financial instruments which are measured at fair values.

### **1.3 Significant Accounting Policies**

#### **1.3.1 Operating Cycle**

The Operating Cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has evaluated and considered its operating cycle as 3 to 5 years and accordingly has reclassified its assets and liabilities into current and non-current.

An asset is treated as current when it is:

- Expected to be realised or to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.



### **1.3.2 Foreign Currency Transactions & Translations**

The functional currency of the Company is Indian rupees. The Financial Statements are prepared and presented in Indian Rupees and has been rounded off to the nearest Lakhs, unless otherwise stated.

Transactions in foreign currencies entered into by the Company are translated to the Company's functional currency at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Foreign exchange gains and losses resulting from the settlement of transactions in foreign currencies and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit & Loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date of the fair valuation. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### **1.3.3 Use of Estimates and Judgements**

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) at the end of the reporting period and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### **1.3.4 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **1.3.5 Property, Plant and Equipment**

Property, plant and equipment are carried at cost of acquisition, on current cost basis less accumulated depreciation and accumulated impairment, if any. Cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.



# **EMAMI REALTY LIMITED**

## **Notes to Financial Statements**

Depreciation is provided on written down value method over the estimated useful lives of property, plant and equipment and are in line with the requirement of Part C of Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **1.3.6 Intangible Assets**

Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised on Straight Line Method over their estimated useful life of five years. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

### **1.3.7 Capital Work-in-Progress and Intangible Assets under Development**

Capital work-in-progress and intangible assets under development are carried at cost. Cost includes land, related acquisition expenses, development / construction costs, borrowing costs and other direct expenditure.

### **1.3.8 Investment Property & Depreciation**

#### **(i) Recognition & measurement**

Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties are held initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company. All other repairs and maintenance are charged to Statement of profit and loss as incurred.

#### **(ii) Depreciation on investment property is provided using the written down method based on useful lives specified in Schedule II to the Companies Act, 2013.**

### **1.3.9 Impairment of Non-Financial Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into





# **EMAMI REALTY LIMITED**

## **Notes to Financial Statements**

account, if available. If no such transactions can be identified, an appropriate valuation model is used.

### **1.3.10 Inventories**

Inventories are valued at lower of Cost or Net Realisable Value, except for construction-work-in-progress which is valued at cost.

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

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **1.3.11 Revenue Recognition**

Revenue is recognized when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebate and taxes. The Company applies the revenue recognition criteria to each nature of revenue transaction as below:

In terms of Ind AS 115, Revenue from Contracts with Customers to be recognised at a point of time (project completion method) upon satisfaction of performance obligation at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transfer of goods or services to customers.

Interest Income is recognised using the effective interest method and is included under the head 'Other Income' in the Statement of Profit and Loss.

Dividend Income including share of profit in LLP is recognised when the Company's right to receive dividend is established.

All other incomes are recognised on accrual basis.

### **1.3.12 Employee Benefits**

#### **a. Defined Contribution Plan - Provident Fund**

The Company makes contributions towards provident fund to the regulatory authorities to a defined contribution retirement benefit plan for qualifying employees.

#### **b. Defined Benefit Plan – Gratuity**

The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The effect of any plan amendments are recognized in the Statement of Profit & Loss.



**c. Long Term Compensated Absences**

The Company's liability is actuarially determined using the Projected Unit Credit method at the end of the year in accordance with the provision of Ind AS 19 - Employee Benefits. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in Statement of Profit & Loss.

**1.3.13 Income Taxes**

- Tax expense comprises current and deferred tax.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is provided using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period, electing not to exercise the option permitted under Section 115BAA of the ITA, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date, electing not to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019.



**1.3.14 Leases**

Effective from 1st April 2019, the Company has applied Ind AS 116, which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. The Company has applied Ind AS 116 using the modified retrospective approach and has accordingly not restated the comparative information. The Company at the inception of a contract, assesses whether a contract, is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ind AS 116 introduces a single balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting remains similar to the accounting under the previous standard i.e. lessor continues to classify leases as finance or operating lease. For contracts entered into before 1st April 2019, the determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

*As a lessee*

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated over the useful life of the asset. On the balance sheet date, the right-of-use of asset is included in property, plant and equipment and lease liabilities have been included in the borrowings and other financial liabilities.

Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

*As a lessor*

Lease income from operating leases, where the Company is a lessor, is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

**1.3.15 Provisions and Contingencies**

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.



# **EMAMI REALTY LIMITED**

## **Notes to Financial Statements**

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### **1.3.16 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### **1.3.17 Earnings per Share**

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

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

### **1.3.18 Financial Instruments**

#### **a) Recognition and Initial Measurement**

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition. Transaction costs in relation to financial assets and financial liabilities which are carried at fair value through profit or loss (FVTPL), are charged to the statement of profit and loss.

#### **b) Classification and Subsequent Measurement of Financial Assets**

##### **i) Debt Instruments**

For the purpose of subsequent measurement, financial assets in the nature of debt instruments are classified as follows:



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## **Notes to Financial Statements**

**Amortised Cost** - Financial assets that are held within a business model whose objective is to hold the asset in order to collect contractual cash flows that are solely payments of principal and interest are subsequently measured at amortised cost less impairments, if any. Interest income calculated using effective interest rate (EIR) method and impairment loss, if any are recognised in the statement of profit and loss.

**Fair Value Through Other Comprehensive Income (FVOCI)** - Financial assets that are held within a business model whose objective is achieved by both holding the asset in order to collect contractual cash flows that are solely payments of principal and interest and by selling the financial assets, are subsequently measured at fair value through other comprehensive income. Changes in fair value are recognized in the other comprehensive income (OCI) and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to the statement of profit and loss. Interest income calculated using EIR method and impairment loss, if any are recognised in the statement of profit and loss.

**Fair Value Through Profit or Loss (FVTPL)** - A financial asset which is not classified in any of the above categories are subsequently measured at fair valued through profit or loss. Changes in fair value and income on these assets are recognised in the statement of profit and loss.

### **ii) Equity Instruments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **c) Classification and Subsequent Measurement of Financial Liabilities**

For the purpose of subsequent measurement, financial liabilities are classified as follows:

**Amortised cost** - Financial liabilities are classified as financial liabilities at amortised cost by default. Interest expense calculated using EIR method is recognised in the statement of profit and loss.

- i) **Borrowings** - After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.



# **EMAMI REALTY LIMITED**

## **Notes to Financial Statements**

- ii) **Trade and Other Payables** - These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year. The amounts are generally unsecured. Trade and other payables are presented as current liabilities unless payment is not due within the Company's operating cycle. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**Fair Value Through Profit or Loss (FVTPL)** - Financial liabilities are classified as FVTPL if it is held for trading, or is designated as such on initial recognition. Changes in fair value and interest expense on these liabilities are recognised in the statement of profit and loss.

**Financial Guarantee Contracts** - Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the lender for a loss it incurs because the specified borrower fails to make a payment when due in accordance with the terms of a loan agreement. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### **d) Derecognition of Financial Assets and Financial Liabilities**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows including risks and rewards of ownership.

A financial liability is derecognised when the obligation under the liability is discharged or expires.

### **e) Impairment of Financial Assets**

Financial assets that are carried at amortised cost and fair value through other comprehensive income (FVOCI) are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For Trade receivables, the Company provides for expected credit losses based on a simplified approach as per Ind AS 109 – Financial Instruments. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset.

### **f) Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **g) Fair Value Measurement**

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the company



# **EMAMI REALTY LIMITED**

## **Notes to Financial Statements**

determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### **1.3.19 Segment Reporting**

Based on the "management approach" as defined in Ind AS 108 – Operating Segments, the Board of Directors / Chief Operating Decision Maker evaluates the Company's performance based on an analysis of various performance indicators by business segment. Segment revenue and expenses include amounts which can be directly attributable to the segment and allocable on reasonable basis. Segment assets and liabilities are assets / liabilities which are directly attributable to the segment or can be allocated on a reasonable basis. Income / expenses / assets / liabilities relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated income / expenses / assets / liabilities.



## EMAMI REALTY LIMITED

### Notes to Financial Statements

#### 2 Property, Plant & Equipment, Investment Property and Intangible Assets

##### a) Property, Plant & Equipment (Current Year)

( ₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	As on 01.04.2019	Additions	Deductions/ Adjustments	As on 31.03.2020	As on 01.04.2019	During the Year	Deductions/ Adjustments	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
Land	5.46	-	-	5.46	-	-	-	-	5.46	5.46
Plant & Machinery	0.70	-	-	0.70	0.57	0.02	-	0.59	0.11	0.13
Furniture & Fittings	105.07	-	-	105.07	83.99	5.51	-	89.50	15.57	21.08
Vehicles	74.60	-	-	74.60	38.76	11.23	-	49.99	24.61	35.84
Office Equipments	15.65	0.37	-	16.02	10.96	2.17	-	13.13	2.89	4.69
Electrical Accessories	53.57	-	-	53.57	46.19	2.08	-	48.27	5.30	7.38
Computer Peripheral	47.27	4.01	-	51.28	37.61	7.31	-	45.42	5.86	9.66
Right to Use Assets - Lease Rent	-	108.97	-	108.97	-	62.27	-	62.27	46.70	-
<b>Total</b>	<b>302.32</b>	<b>113.35</b>	<b>-</b>	<b>415.67</b>	<b>218.08</b>	<b>91.09</b>	<b>-</b>	<b>309.17</b>	<b>106.50</b>	<b>84.24</b>

##### b) Investment Property (Current Year)

( ₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	As on 01.04.2019	Additions	Deductions/ Adjustments	As on 31.03.2020	As on 01.04.2019	During the Year	Deductions/ Adjustments	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
Flats - Guest House	1,004.61	462.73	455.73	1,011.61	20.24	68.27	28.55	59.96	951.65	984.37
Flats	2,661.78	0.48	2,273.74	386.52	-	52.39	33.57	18.82	367.70	2,661.78
Capital Work-in-Progress	2,290.36	155.84	-	2,446.20	-	-	-	-	2,446.20	2,290.36
<b>Total</b>	<b>5,956.75</b>	<b>619.05</b>	<b>2,731.47</b>	<b>3,844.33</b>	<b>20.24</b>	<b>120.66</b>	<b>62.12</b>	<b>78.78</b>	<b>3,765.55</b>	<b>5,936.51</b>

##### c) Intangible Assets (Current Year)

( ₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	As on 01.04.2019	Additions	Deductions/ Adjustments	As on 31.03.2020	As on 01.04.2019	During the Year	Deductions/ Adjustments	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
Software	112.96	-	-	112.96	49.96	13.76	-	63.72	49.24	63.00
<b>Total</b>	<b>112.96</b>	<b>-</b>	<b>-</b>	<b>112.96</b>	<b>49.96</b>	<b>13.76</b>	<b>-</b>	<b>63.72</b>	<b>49.24</b>	<b>63.00</b>





**EMAMI REALTY LIMITED**  
Notes to Financial Statements

d) Property, Plant & Equipment (Previous Year)

Particulars	Gross Block				Depreciation / Amortisation		Net Block		
	As on 01.04.2018	Additions	Deductions/ Adjustments	As on 31.03.2019	As on 01.04.2018	During the Year	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Land	5.46	-	-	5.46	-	-	-	5.46	5.46
Plant & Machinery	0.70	-	-	0.70	0.54	0.03	0.57	0.13	0.16
Furniture & Fittings	105.07	-	-	105.07	76.36	7.62	83.98	21.09	28.71
Vehicles	99.63	-	25.03	74.60	43.91	16.86	38.77	35.83	55.72
Office Equipments	15.65	-	-	15.65	7.04	3.92	10.96	4.69	8.61
Electrical Accessories	53.22	0.35	-	53.57	42.73	3.46	46.19	7.38	10.49
Computer Peripheral	37.83	9.44	-	47.27	31.20	6.41	57.61	9.66	6.63
<b>Total</b>	<b>317.56</b>	<b>9.79</b>	<b>25.03</b>	<b>302.32</b>	<b>201.78</b>	<b>38.30</b>	<b>218.08</b>	<b>84.24</b>	<b>115.78</b>

e) Investment Property (Previous Year)

Particulars	Gross Block				Depreciation & Amortisation		Net Block		
	As on 01.04.2018	Additions	Deductions/ Adjustments	As on 31.03.2019	As on 01.04.2018	During the Year	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Flats - Guest House	-	1,004.61	-	1,004.61	-	20.24	20.24	984.37	-
Flats	3,567.66	98.74	1,004.61	2,661.79	-	-	-	2,661.79	3,567.66
Capital Work-in-Progress	2,162.07	128.28	-	2,290.35	-	-	-	2,290.35	2,162.07
<b>Total</b>	<b>5,729.73</b>	<b>1,231.63</b>	<b>1,004.61</b>	<b>5,936.75</b>	<b>-</b>	<b>20.24</b>	<b>20.24</b>	<b>5,936.51</b>	<b>5,729.73</b>

f) Intangible Assets (Previous Year)

Particulars	Gross Block			Amortisation		Net Block		
	As on 01.04.2018	Additions	Deductions/ Adjustments	As on 01.04.2018	During the Year	Upto 31.03.2019	As on 31.03.2019	
Software	95.74	17.22	-	112.96	14.35	49.96	63.00	60.13
<b>Total</b>	<b>95.74</b>	<b>17.22</b>	<b>-</b>	<b>112.96</b>	<b>14.35</b>	<b>49.96</b>	<b>63.00</b>	<b>60.13</b>



**EMAMI REALTY LIMITED****Notes to Financial Statements**

	As at 31st March 2020 (₹ in Lakhs)	As at 31st March 2019 (₹ in Lakhs)
<b>3 Investments (Not-Current)</b>		
<b>I. Investments in Equity Instruments</b>		
<b>a. In Associates (Carried at cost)</b>		
<b>Unquoted fully paid up</b>		
Roseview Developers Private Limited 5,000 Equity Shares of ₹10/- each	0.50	0.50
Prajay Urban Private Limited 5,000 Equity Shares of ₹10/- each	0.50	0.50
Bengal Emami Housing Limited 60,000 Equity Shares of ₹10/- each	6.00	6.00
Swanhousing & Infra Private Limited 6,90,000 Equity Shares of ₹10/- each	69.00	69.00
	<b>76.00</b>	<b>76.00</b>
<b>b. Other Investments Unquoted fully paid up</b>		
<b>i. Carried at fair value through Other Comprehensive Income</b>		
The North Kanara G.S.B. Co-Operative Bank Limited 5,000 Equity Shares of ₹10/- each	0.50	0.50
The Saraswat Co-op. Bank Limited 1,000 Equity Shares of ₹10/- each	0.10	0.10
Natural Synergies Limited 4,16,750 Equity Shares of ₹10/- each	41.68	41.68
Emami Agrotech Limited 11,42,857 Equity Shares of ₹10/- each	1,028.57	1,028.57
<b>ii. Carried at fair value through Profit &amp; Loss Account</b>		
Emami Cement Limited <sup>†</sup> 1,22,93,343 (Nil) Equity Shares of ₹10/- each	5,532.00	-
	<b>6,602.85</b>	<b>1,070.85</b>
Less: Provision for Diminution in value of Investments	41.68	41.68
	<b>6,561.17</b>	<b>1,029.17</b>
<b>II. Investments in Preference Shares (Carried at fair value through Profit &amp; Loss Account)</b>		
<b>Unquoted fully paid up</b>		
Emami Paper Mills Limited <sup>**</sup> 14,55,000 8% Cumulative Redeemable Non-convertible Preference Shares of ₹100/- each	6,398.33	5,903.66
	<b>6,398.33</b>	<b>5,903.66</b>
<b>III. Investments in Debentures - Unquoted fully paid up (Carried at amortised cost)</b>		
Vijaybhan Investments and Consultancy Private Limited <sup>†</sup> 7,592 6.75% (0%) Optionally Convertible Non-Transferable Debentures of ₹1,00,000/- each	7,592.00	7,271.31
Emami Estates Private Limited <sup>**</sup> 25 6.75% (0%) Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	2,500.00	2,221.23
Emami Home Private Limited <sup>**</sup> 30 6.75% (0%) Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	3,000.00	2,644.67
	<b>13,092.00</b>	<b>12,137.21</b>
<b>IV. Investments in Limited Liability Partnership (Refer Note No. 48)</b>		
<b>Capital Contribution to:</b>		
Lohitka Properties LLP	0.40	0.40
Supervalve Nirman LLP	0.01	0.01
	<b>0.41</b>	<b>0.41</b>
	<b>26,127.91</b>	<b>19,146.45</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	26,127.91	19,146.45

<sup>†</sup> Pledged. Refer Note No. 42(C)

<sup>\*\*</sup> 14,55,000 Preference Shares are redeemable at a premium of ₹500/- per share; out of which 5,25,000 Nos on 27th March, 2025, 2,00,000 Nos on 12th August, 2025, 4,80,000 Nos on 20th January, 2026 and 2,50,000 Nos on 31st July, 2026. However, the investee Company has an option to redeem these preference shares before the redemption date.



**EMAMI REALTY LIMITED****Notes to Financial Statements**

	As at 31st March 2020 (₹ in Lakhs)	As at 31st March 2019 (₹ in Lakhs)
* 7,592 Debentures are convertible into equity shares at the option of the Debenture Holders, out of which 25 Nos are redeemable on 30th September, 2021, 6,691 Nos are redeemable on 31st December, 2021 and 876 Nos are redeemable on 30th March, 2024		
** These Debentures are redeemable at par or premium at the end of eight years from the date of allotment, being 22nd January, 2013 (Emami Estates Private Limited) and 7th March, 2013 (Emami Home Private Limited). However, the Company has an option to redeem these debentures before the redemption date.		
<b>4 Loans (Non-Current)</b> (Considered good, Secured)		
Security Deposits	33.56	35.24
Deposit under Joint Development Agreement*	35,067.00	37,064.00
	<u>35,100.56</u>	<u>37,099.24</u>
* Right, Title, Interest etc. entitlements mortgaged in respect of a Joint Development Agreement. Refer Note No. 50(i)(b)(ii)		
<b>5 Other Financial Assets (Non-Current)</b>		
Advances to Others	586.00	586.00
Bank deposits with maturity of more than 12 months*	139.00	139.00
	<u>725.00</u>	<u>725.00</u>
* Pledged with banks as security against term loan		
<b>6 Deferred Tax Assets (Net)</b>		
Deferred tax asset arising on account of:		
Tax impact due to difference between tax depreciation and book depreciation	29.09	33.42
Remeasurements of the defined benefit plan through Profit & Loss	96.61	90.50
Investment carried at fair value through Profit & Loss	-	708.30
Unabsorbed business loss carried forward	2,900.52	-
Remeasurements of the defined benefit plan through Other Comprehensive Income	2.08	0.00
	<u>3,028.30</u>	<u>832.22</u>
Deferred tax liability arising on account of:		
Tax impact of expenses charged off in financial statement but liability under tax law deferred	200.15	406.82
	<u>200.15</u>	<u>406.82</u>
₹0.00 represents amount less than ₹1,000	<u>2,828.15</u>	<u>425.40</u>
<b>7 Other Non Current Assets</b>		
Security Deposits	169.57	122.47
	<u>169.57</u>	<u>122.47</u>
<b>8 Inventories (Carried at lower of Cost or Net Realisable Value)</b>		
<b>A. Work-in-Progress</b>		
Land	7,850.92	7,539.01
Work-in-Progress	37,071.88	1,30,999.50
	<u>44,922.80</u>	<u>1,38,538.51</u>
<b>B. Finished Goods</b>		
Finished Properties	25,786.35	1,230.74
Add: Transferred on Scheme of Arrangement (Refer Note No 52)	2,200.80	-
	<u>27,987.15</u>	<u>1,230.74</u>
<b>C. Stock-in-Trade</b>	6.30	5.52
	<u>6.30</u>	<u>5.52</u>
<b>D (i). Equity Shares - Unquoted fully paid up</b>		
<b>In Subsidiaries</b>		
Sneha Ashiana Private Limited	5.00	5.00
50,000 Equity Shares of ₹10/- each		
New Age Realty Private Limited	3.00	3.00
30,000 Equity Shares of ₹10/- each		
Delta PV Private Limited	1,178.62	1,178.62
3,37,551 (2,47,511) Equity Shares of ₹10/- each	753.19	-
Add: Transferred on Scheme of Arrangement (Refer Note No 52)	1,931.81	1,178.62
	<u>1,939.81</u>	<u>1,186.62</u>



**EMAMI REALTY LIMITED****Notes to Financial Statements**

	As at 31st March 2020 (₹ in Lakhs)	As at 31st March 2019 (₹ in Lakhs)
D (ii). Debentures - Unquoted fully paid up		
Prajay Urban Private Limited	2,448.00	2,448.00
24,480 Optionally Convertible Debentures of ₹10,000/- each	2,448.00	2,448.00
	<b>77,304.06</b>	<b>1,43,409.39</b>
<b>9 Investments (Current)</b>		
Paintings (Carried at cost)	399.56	399.56
	<b>399.56</b>	<b>399.56</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	399.56	399.56
<b>10 Trade Receivables</b>		
(Considered good, Secured)		
Trade Receivables	5,742.80	1,513.15
Add: Transferred on Scheme of Arrangement (Refer Note No 52)	1,382.54	-
	<b>7,125.34</b>	<b>1,513.15</b>
<b>11 Cash and Cash Equivalents</b>		
Balances with Banks	606.45	194.06
Cheques in hand	286.85	4.14
Cash in hand	38.57	18.94
Bank deposits with maturity of less than 3 months *	456.47	599.12
	<b>1,388.34</b>	<b>816.26</b>
* Pledged with banks as security against loans		
<b>12 Bank Balances other than above</b>		
Bank deposits with maturity of more than 3 months but less than 12 months *	306.14	465.73
	<b>306.14</b>	<b>465.73</b>
* Pledged with banks as security against loans		
<b>13 Loans (Current)</b>		
(Considered good, Unsecured)		
Loans to Related Parties (Refer Note No. 41)	1,06,920.30	99,455.94
Add: Transferred on Scheme of Arrangement (Refer Note No 52)	3,259.15	-
	1,10,179.45	99,455.94
Loans to Others	23,009.04	19,223.83
	<b>1,33,188.49</b>	<b>1,18,679.77</b>
<b>14 Other Financial Assets</b>		
Advances to Related Parties (Refer Note No. 41)	246.33	1,797.09
Interest Accrued (Refer Note No. 41)	6,210.98	-
Other Receivables - Related Parties (Refer Note No. 41)	363.83	-
Other Receivables - Others	502.21	1.81
	<b>7,323.35</b>	<b>1,798.90</b>
<b>15 Current Tax Assets (Net)</b>		
Advance Income Tax and Refunds Receivable (Net of Provision)	1,446.65	1,373.06
Add: Transferred on Scheme of Arrangement (Refer Note No 52)	78.63	-
	<b>1,525.28</b>	<b>1,373.06</b>
<b>16 Other Current Assets</b>		
Advances to Employees*	23.33	20.15
Advances to Contractors/Suppliers	86.69	1,050.99
Less: Provision for Doubtful Advance	(18.50)	-
Advances to Land Owners	664.19	664.19
Advances to Others	256.14	19.91
Balances with Government Authorities	1,526.03	5,732.40
	<b>2,577.88</b>	<b>7,527.64</b>

\*Includes to ₹7.62 Lakhs (Nil) due from CEO



	As at 31st March 2020 (₹ in Lakhs)	As at 31st March 2019 (₹ in Lakhs)
<b>17 Equity Share Capital</b>		
<b>Authorized Shares</b>		
13,32,50,000 Equity Shares of ₹2/- each	2,705.00	2,705.00
	<u>2,705.00</u>	<u>2,705.00</u>
<b>Issued, subscribed &amp; fully paid-up shares</b>		
2,79,38,889 Equity Shares of ₹2/- each	558.78	558.78
<b>Share Capital Suspense Account pursuant to Scheme of Amalgamation (Refer Note d below)</b>		
99,05,000 Equity Shares of ₹2/- each	198.10	-
	<u>756.88</u>	<u>558.78</u>

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

Particulars	As at 31st March 2020		As at 31st March 2019	
	No of shares	(₹ in Lakhs)	No of shares	(₹ in Lakhs)
Shares outstanding at the beginning of the period	2,79,38,889	558.78	2,42,98,392	485.97
Add: Issued for consideration other than cash during the period	-	-	36,40,497	72.81
<b>Shares Outstanding at the end of the period</b>	<u>2,79,38,889</u>	<u>558.78</u>	<u>2,79,38,889</u>	<u>558.78</u>

**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 the Company**

Name of Shareholders	As at 31st March 2020		As at 31st March 2019	
	No of shares	% holding in the class	No of shares	% holding in the class
Diwakar Vinnyog Private Limited	34,12,491	12.21%	34,12,491	12.21%
Suntrack Commerce Private Limited	29,84,237	10.68%	29,84,237	10.68%
Bhram Vyaapar Private Limited	27,78,899	9.95%	27,78,899	9.95%
Ravraj Vinnyog Private Limited	14,11,000	5.05%	14,11,000	5.05%

**d. Share Capital Suspense**

Pursuant to the Scheme of Amalgamation as detailed in Note No. 52 the Company will issue and allot 99,05,000 Equity Shares of ₹2/- each fully paid. Pending allotment corresponding amount has been kept under Share Capital Suspense and shall be transferred to Equity Share Capital of the Company on allotment of Shares.

**18 Other Equity**

	As at 31st March 2020 (₹ in Lakhs)	As at 31st March 2019 (₹ in Lakhs)
<b>Capital Reserve</b>		
Opening Balance	2,789.75	2,789.75
Less: Transferred on Scheme of Arrangement (Refer Note No 52)	(198.10)	-
Closing Balance	<u>2,591.65</u>	<u>2,789.75</u>
<b>Revaluation Reserve</b>		
Opening Balance	967.90	967.90
Less: Amount transferred to Retained Earnings	(802.26)	-
Closing Balance	<u>165.64</u>	<u>967.90</u>
<b>General Reserve</b>		
Opening Balance	11,648.88	11,648.88
Closing Balance	<u>11,648.88</u>	<u>11,648.88</u>
<b>Retained Earnings</b>		
Opening Balance	25.74	(47.26)
Less: Adjustment for Adoption of IND AS 116	(3.37)	-
Add: Amount transferred from Revaluation Reserve	802.26	-
Add: Profit/(Loss) for the year	(4,891.07)	73.00
	<u>(4,066.44)</u>	<u>25.74</u>
<b>Other Comprehensive Income</b>		
Opening Balance	250.66	0.66
Add: Gain / (Loss) for the year	(3.92)	250.00
	<u>246.74</u>	<u>250.66</u>
<b>Total Reserves and Surplus</b>	<u>10,586.47</u>	<u>15,632.93</u>

**Nature and description of reserve**

- Capital Reserve - Capital Reserve was created on amalgamations.
- Revaluation Reserve - Revaluation Reserve was created on revaluation of land with structure held as fixed assets.
- General Reserve - General Reserve was created on amalgamation which is kept aside to meet the future requirements of the Company as and when they arise.



**EMAMI REALTY LIMITED****Notes to Financial Statements**

	As at 31st March 2020 (₹ in Lakhs)	As at 31st March 2019 (₹ in Lakhs)
<b>19 Borrowings (Non-Current)</b>		
<b>Secured</b>		
Term Loans from Banks (Refer Note No. 42[A])	866.85	24,812.08
Term Loans from Non Banking Financial Companies (Refer Note No. 42[B])	5,025.86	11,374.44
Non Convertible Bonds (Refer Note No. 42[C])	59,822.30	-
	<b>65,715.01</b>	<b>36,186.52</b>
<b>Unsecured</b>		
Redeemable Non Convertible Debentures (Refer Note No. 43[A])	-	14,989.35
Term Loans from Non Banking Financial Companies (Refer Note No. 43[B])	13,556.28	20,739.84
	<b>13,556.28</b>	<b>35,729.19</b>
	<b>79,271.29</b>	<b>71,915.71</b>
<b>20 Other Non-Current Liabilities</b>		
Against Development	3,710.45	951.32
	<b>3,710.45</b>	<b>951.32</b>
<b>21 Provisions (Non-Current)</b>		
Provision for Employee Benefits (Refer Note No. 37)		
Gratuity	80.16	89.71
Leave Encashment	38.77	39.62
	<b>118.93</b>	<b>129.33</b>
<b>22 Borrowings (Current)</b>		
<b>Secured</b>		
Overdraft from Banks *	877.34	6,476.46
	<b>877.34</b>	<b>6,476.46</b>
<b>Unsecured</b>		
Overdraft from Banks **	71,531.59	43,353.57
Redeemable Non Convertible Debentures (Refer Note No. 44[A])	-	2,500.00
Term Loans from Non Banking Financial Companies (Refer Note No. 44[B])	-	13,000.00
Loans from Related Party *	47,080.23	19,436.00
Loans from Other Bodies Corporate *	19,377.11	35,051.31
	<b>1,37,988.93</b>	<b>1,13,340.88</b>
	<b>1,38,866.27</b>	<b>1,19,817.34</b>
* (i) ₹547.96 (₹5,535.85) Lakhs secured by the securities as mentioned in Note No. 42[A](a), 42[A](c) & 42[A](d) under the heading "Term Loan from Banks" as this facility is a sub-limit thereof.		
* (ii) ₹329.68 (₹940.51) Lakhs secured by hypothecation on receivables of the project at 'Zandu Sigma Estates', 70 Gokhale Road, Dadar, Mumbai - 400025 coupled with the corporate guarantee by a related party.		
** ₹71,531.59 (₹43,353.57) Lakhs secured by pledge of related party's fixed deposits		
* Repayable on demand		
<b>23 Trade Payables</b>		
Total outstanding dues of Micro Enterprises and Small Enterprises	20.18	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,964.98	990.94
	<b>1,985.16</b>	<b>990.94</b>
<b>24 Other Financial Liabilities</b>		
Current Maturities of Long Term Debts (Refer Note No. 42[A], 42[B], 43[A] & 43[B])	27,122.38	62,741.36
Interest accrued but not due on borrowings	1,264.30	10,773.14
Premium accrued but not due on Bonds	726.75	-
Advances from Related Parties (Refer Note No. 41)	1,040.97	484.37
Advances from Others	2,287.44	2,168.19
Deposits Received	10.00	10.00
Right of Use Liability - Lease Rent	48.62	-
Cheques Overdrawn	23,136.62	-
Liabilities for Expenses	10.00	9.42
Employee Benefits Payables	9.12	62.27
Retention Money	743.76	1,274.39
	<b>56,399.96</b>	<b>77,523.14</b>



**EMAMI REALTY LIMITED****Notes to Financial Statements**

	As at 31st March 2020 (₹ in Lakhs)	As at 31st March 2019 (₹ in Lakhs)
<b>25 Other Current Liabilities</b>		
Advances from Customers	3,024.23	50,979.07
Add: Transferred on Scheme of Arrangement (Refer Note No 52)	820.79	-
	3,845.02	50,979.07
Fluctuating Capital Account with LLP	50.68	46.41
Duties & Taxes Payables	944.02	858.64
	<u>4,839.72</u>	<u>51,884.12</u>
<b>26 Provisions (Current)</b>		
Provision for Employee Benefits (Refer Note No. 37)		
Gratuity	75.31	60.48
Leave Encashment	84.91	71.68
Others Transferred on Scheme of Arrangement (Refer Note No 52)	28.82	-
Provision for Project Expenses Payable	3,286.75	-
	<u>3,475.79</u>	<u>132.16</u>



**EMAMI REALTY LIMITED****Notes to Financial Statements**

	Year ended 31st March, 2020 (₹ in Lakhs)	Year ended 31st March, 2019 (₹ in Lakhs)
<b>27 Revenue from Operations</b>		
Operating Income		
Sale of Trade Goods	147.21	77.93
Sale of Land	125.00	-
Sale of Plots/Flats	1,01,956.23	6,136.18
	<u>1,02,228.44</u>	<u>6,214.11</u>
Other Operating Income		
Nomination Charges	101.23	91.49
Cancellation Charges	50.08	42.29
Legal Fees Received	72.52	0.03
Interest Received from Customer	192.67	77.22
Compensation against Land acquisition	-	26.67
	<u>416.50</u>	<u>237.70</u>
	<u>1,02,644.94</u>	<u>6,451.81</u>
<b>28 Other Income</b>		
Interest Income from		
Subsidiaries	492.42	342.56
Associates	32.86	87.07
LLP	7,306.57	6,059.55
Other Bodies Corporate	8,622.46	5,770.45
Debentures	883.71	-
Fixed Deposits	70.78	42.77
Income Tax Refund	-	73.49
Others	177.97	116.15
	<u>17,586.77</u>	<u>12,492.04</u>
Dividend Received	116.47	116.47
Profit on Sale of Mutual Fund Units	-	6.78
Rent Received	32.92	9.00
Service Charges Received	-	3.77
Miscellaneous Income	5.77	1.99
Income from Investment measured at amortised cost	1,449.45	450.42
	<u>1,604.61</u>	<u>588.43</u>
	<u>19,191.38</u>	<u>13,080.47</u>
<b>29 Purchases</b>		
Land	401.11	631.85
Trade Goods	151.63	79.32
	<u>552.74</u>	<u>711.17</u>
<b>30 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress</b>		
<b>I. Opening Stock</b>		
Land	7,539.01	7,038.60
Work-in-Progress	1,30,999.49	1,02,822.79
Finished Units/Flats	1,230.74	991.72
Shares	1,186.62	1,186.62
Debentures	2,448.00	2,448.00
Stock-in-Trade	5.52	3.52
Add: Transferred on Scheme of Arrangement (Refer Note No 52)	7,970.26	-
	<u>1,51,379.64</u>	<u>1,14,491.25</u>
<b>II. Closing Stock</b>		
Land	7,850.92	7,539.01
Work-in-Progress	37,071.88	1,30,999.50
Finished Units/Flats	27,987.15	1,230.74
Shares	1,939.81	1,186.62
Debentures	2,448.00	2,448.00
Stock-in-Trade	6.30	5.52
	<u>77,304.06</u>	<u>1,43,409.39</u>
Changes in Inventories (I-II)	<u>74,075.58</u>	<u>(28,918.14)</u>





**EMAMI REALTY LIMITED****Notes to Financial Statements**

	Year ended 31st March, 2020 (₹ in Lakhs)	Year ended 31st March, 2019 (₹ in Lakhs)
<b>31 Employee Benefits Expense</b>		
Salaries, Gratuity & Allowances	1,751.04	1,553.31
Contribution to Provident and Other Funds	59.13	62.66
Staff Welfare Expenses	27.37	29.75
	<b>1,837.54</b>	<b>1,645.72</b>
<b>32 Finance Costs</b>		
Interest Expenses	35,890.33	25,313.43
Add: Other Borrowing Costs	1,309.38	1,521.67
	37,199.71	26,835.10
Less: Capitalised to Investment Property	155.84	128.28
	<b>37,043.87</b>	<b>26,706.82</b>
<b>33 Project Expenses</b>		
Materials Consumed	212.84	1,924.72
Development Cost	2,739.12	951.32
Payments to Contractors	7,055.40	12,466.39
Consultants Fees	225.52	535.57
Project Promotion & Expenses	1,286.55	571.24
Insurance	42.18	48.71
Repair & Maintenance	506.35	145.38
Rates & Taxes	2,639.57	1,707.38
Corporate Social Responsibility	-	10.00
Travelling & Conveyance	35.97	63.87
Other Operating Expenses	231.67	245.18
	<b>14,995.17</b>	<b>18,669.96</b>
<b>34 Other Expenses</b>		
Electricity Charges	11.82	10.37
Rent	2.65	73.64
Repairs & Maintenance	38.21	60.78
Rates & Taxes	1.18	1.92
Advertisement & Publicity	1.29	2.83
Custodial Fees	4.90	1.60
Listing Fees	9.94	12.95
Directors' Sitting Fees	5.95	4.93
Postage & Courier	5.76	6.97
Printing & Stationery	7.76	9.03
Royalty	10.00	10.00
Insurance	0.89	1.65
Travelling & Conveyance	33.40	40.35
Legal & Professional Fees	132.90	142.92
Brokerage	21.77	-
Corporate Social Responsibility	15.50	-
Provision for Doubtful Advance	18.50	-
Share of Loss in LLP	4.27	-
Loss on Sale of Fixed Assets	-	1.16
Loss on Sale of Investment Property	16.40	-
Miscellaneous Expenses	45.78	47.55
Auditors' Remuneration (Refer Note No. 36)	13.39	13.13
	<b>402.26</b>	<b>441.78</b>
<b>35 Earnings per Share (EPS)</b>		
Earnings per Share is calculated as follows:		
Profit after tax attributable to Equity Shareholders	(4,891.06)	73.00
Weighted average number of equity shares	3,78,43,889	2,79,38,889
Nominal value of Equity Share	2.00	2.00
<b>Basic and Diluted Earnings per Share</b>	<b>(12.92)</b>	<b>0.26</b>
<b>36 Auditors' Remuneration</b>		
Audit Fees	10.50	9.00
Tax Audit Fees	1.00	1.00
Limited Review	1.50	1.50
Other Matters	0.39	1.63
	<b>13.39</b>	<b>13.13</b>



37 As per actuarial valuations as on 31st March, 2020 and recognized in the financial statement in respect of Employee benefit schemes

₹ in Lakhs

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Non-funded	Non-funded	Non-funded	Non-funded
<b>A. Expenses Recognised in the income statement</b>				
1. Current Service Cost	20.68	17.58	22.96	20.48
2. Interest Cost	11.56	8.57	9.14	6.45
3. Loss/(Gain) on settlement	-	-	-	-
4. Net interest cost/(income) on the Net Defined Benefit Liability/(Assets)	-	-	-	-
5. Re-measurement (or Actuarial)(gain)/loss arising from:	-	-	-	-
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	6.34	2.10	1.67	0.14
- Experience variance (i.e. Actual expense vs assumptions)	(12.35)	(1.59)	(1.67)	2.48
- Others	-	-	-	-
6. Return on plan assets, excluding amount recognised in net interest expenses	-	-	-	-
7. Re-measurement (or Actuarial)(gain)/loss arising because of change in effect of asset ceiling	-	-	-	-
8. Total Expenses recognised in the Statement of Profit & Loss	26.23	26.66	32.10	29.53
<b>B. Assets and Liability</b>				
1. Present value of Obligation	155.47	123.68	150.20	111.30
2. Fair Value of Plan Assets	-	-	-	-
3. Funded Status [Surplus/(deficit)]	(155.47)	(123.68)	(150.20)	(111.30)
4. Effects of Assets Ceiling, if any	-	-	-	-
5. Net asset/(liability) recognized in balance sheet	(155.47)	(123.68)	(150.20)	(111.30)
<b>C. Change in Present Value of Obligation</b>				
1. Present value of Obligation as at beginning of period	150.20	111.30	119.43	85.79
2. Current Service Cost	20.68	17.58	22.96	20.48
3. Interest Expenses or Cost	11.56	8.57	9.14	6.45
Re-measurement (or Actuarial)(gain)/loss arising from:				
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	6.34	2.10	1.67	0.14
- Experience variance (i.e. Actual expense vs assumptions)	(12.35)	(1.59)	(1.67)	2.48
- Others	-	-	-	-
4. Past Service Cost	-	-	-	-
5. Effect of change in foreign exchange rates	-	-	-	-
6. Benefits Paid	(20.96)	(14.28)	(1.33)	(4.04)
7. Acquisition Adjustment	-	-	-	-
8. Effect of business combinations or disposals	-	-	-	-
9. Present value of Obligation as at the end of period	155.47	123.68	150.20	111.30
<b>D. Other Comprehensive Income</b>				
1. Actuarial (gain)/losses	-	-	-	-
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	6.34	-	1.67	-
- Experience variance (i.e. Actual expense vs assumptions)	(12.34)	-	(1.67)	-
- Others	-	-	-	-
2. Return of plan assets, excluding amount recognised in net interest expenses	-	-	-	-
3. Re-measurement (or Actuarial)(gain)/loss arising because of change in effect of asset ceiling	-	-	-	-
4. Components of defined benefit costs recognised in other comprehensive income	(6.00)	-	0.00	-
<b>E. Financial Assumptions</b>				
1. Discount Rate (%)	7.70%	7.70%	7.70%	7.70%
2. Salary Growth Rate (per annum)	6.00%	6.00%	6.00%	6.00%
<b>F. Demographic Assumptions</b>				
1. Mortality Rate (% of IALM 06-08)	5.00%	5.00%	5.00%	5.00%
2. Withdrawal Rate (per annum)	1% to 8%	1% to 8%	1% to 8%	1% to 8%

₹0.00 represents amount less than ₹1,000



**Sensitivity Analysis :-**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumption occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in Lakhs)

Particulars	Gratuity		Leave Encashment	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
Defined Benefit Obligation (Base)	155.48	150.20	123.68	111.30

(₹ in Lakhs)

Particulars	Gratuity			
	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%) (% change compared to base due to sensitivity)	163.21 4.97%	148.59 -4.43%	157.99 5.19%	143.23 -4.64%
Salary Growth Rate (-/+1%) (% change compared to base due to sensitivity)	149.17 -4.05%	162.56 4.36%	143.50 -4.46%	157.67 4.97%
Attrition Rate (-/+50%) (% change compared to base due to sensitivity)	155.37 -0.07%	155.54 0.04%	149.81 -0.26%	150.52 0.21%

(₹ in Lakhs)

Particulars	Leave Encashment			
	As at 31st March, 2020		As at 31st March, 2019	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%) (% change compared to base due to sensitivity)	128.27 3.71%	119.53 -3.36%	115.39 3.68%	107.57 -3.34%
Salary Growth Rate (-/+1%) (% change compared to base due to sensitivity)	120.50 -2.57%	127.24 2.88%	108.34 -2.66%	114.58 2.95%
Attrition Rate (-/+50%) (% change compared to base due to sensitivity)	123.45 -0.19%	123.89 0.17%	110.94 -0.32%	111.62 0.29%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period.

**Maturity Profile of Defined Benefit Obligation**

Particulars	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
Weighted average duration (based on discounted cashflows)	2.76	2.82	2.40	2.18

(₹ in Lakhs)

Expected cash flows over the next (valued on undiscounted basis)	Gratuity		Leave Encashment	
	2019-20	2018-19	2019-20	2018-19
1 Years	75.31	60.48	84.91	71.66
2 to 5 Years	39.86	106.19	97.28	89.74
6 to 10 Years	115.46	25.80	59.25	12.37



38 Carrying value and Fair Value of Financial Instruments is as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2020				As at 31st March, 2019			
	FVOCI	FVTPL	Amortized Cost	Total	FVOCI	FVTPL	Amortized Cost	Total
<b>Financial Assets:</b>								
<b>Non-Current</b>								
Investment in equity instruments	1,029.17	5,532.00	76.00	6,637.17	1,029.17	-	76.00	1,105.17
Investment in Preference Shares		6,398.33		6,398.33		3,903.66		3,903.66
Investment in Debentures			13,092.00	13,092.00		12,137.21		12,137.21
Investment in LLPs			0.41	0.41			0.41	0.41
Loans			35,100.56	35,100.56			37,099.31	37,099.31
Other Financial Assets			725.00	725.00			725.00	725.00
<b>Current</b>								
Investments			399.50	399.50			399.50	399.50
Trade Receivables			7,125.34	7,125.34			1,513.15	1,513.15
Cash and Cash Equivalents			1,388.34	1,388.34			816.20	816.20
Other Bank Balances			306.14	306.14			465.73	465.73
Loans			1,33,188.40	1,33,188.40			1,18,479.77	1,18,479.77
Other Financial Assets			7,323.35	7,323.35			1,798.50	1,798.50
<b>Total</b>	<b>1,029.17</b>	<b>11,930.33</b>	<b>1,98,725.19</b>	<b>2,11,684.69</b>	<b>1,029.17</b>	<b>14,040.87</b>	<b>1,61,374.01</b>	<b>1,80,644.05</b>
<b>Financial Liabilities:</b>								
<b>Non-Current</b>								
Borrowings			79,271.29	79,271.29			71,915.71	71,915.71
<b>Current</b>								
Borrowings			1,38,866.27	1,38,866.27			1,14,817.34	1,19,817.34
Trade Payables			1,985.15	1,985.15			990.94	990.94
Other Financial Liabilities			36,399.96	36,399.96			77,523.14	77,523.14
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,76,522.68</b>	<b>2,76,522.68</b>	<b>-</b>	<b>-</b>	<b>2,70,247.12</b>	<b>2,70,247.12</b>

39 Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

a) Financial assets measured at fair value at 31st March 2020

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment at FVTPL				
In equity shares		5,532.00		5,532.00
In preference shares		6,398.33		6,398.33
In debentures		-		-
Investment at FVOCI				
In equity shares		1,029.17		1,029.17
Amortized Cost				
In equity shares		76.00		76.00
In debentures		13,092.00		13,092.00

Financial assets measured at fair value at 31st March 2019

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment at FVTPL				
In equity shares		-		-
In preference shares		3,903.66		3,903.66
In debentures		12,137.21		12,137.21
Investment at FVOCI				
In equity shares		1,029.17		1,029.17
Amortized Cost				
In equity shares		76.00		76.00
In debentures		-		-

bi) Financial Instruments at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

ci) During the year there has been no transfer from one level to another

40 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Management oversees the management of these risks and ensures that the Company's financial risks activities are governed by appropriate policies and procedures and that finance risk are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors agrees and reviews policies for managing each of these risks, which are summarised below.



**A. Credit Risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counter party default on its obligations. The Company's exposure to credit risk arises mainly from trade receivables and other financial assets.

Other financial assets like bank deposits, advances and security deposits are with banks, government bodies, utility providers, contractors and others and hence, the Company does not expect any credit risk with respect to trade receivables and other financial assets save and except in one account where as a prudent policy, full provision has been made.

With respect to trade receivables, the Company has constituted teams to review the receivables on periodic basis and take necessary mitigations whenever required. The following table summarizes the change in the loss allowance measured using ECL

(₹ in Lakhs)

Reconciliation of Loss Allowance	Trade Receivables	Security Deposits
As on April 1, 2018	-	-
Allowance for Expected Credit Loss	-	-
As on March 31, 2019	-	-
Allowance for Expected Credit Loss	-	-
As on March 31, 2020	-	-

**B. Liquidity Risk**

The Company's principal sources of liquidity are borrowing, bank overdrafts, loans from bodies corporate, debentures and cash and cash equivalents and the cash flow that is generated from operations. The Company believes that these are sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The table below summarizes the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Maturity period	31st March 2020	31st March 2019
<b>Financial Liabilities - Current</b>			
Borrowings	within 1 year	1,38,866.27	1,19,817.34
Trade Payable	within 1 year	1,583.15	990.91
Other Financial Liabilities	within 1 year	36,799.96	77,323.14
<b>Financial Liabilities - Non-Current</b>			
Borrowings	between 1-5 year	79,271.29	71,913.71

**C. Market Risk****a. Interest Rate Risk**

The Company has taken debt to finance its working capital, which exposes it to interest rate risk. Borrowings issued at variable rates expose the Company to interest rate risk.

(₹ in Lakhs)

Particulars	31st March 2020	31st March 2019
Variable rate borrowing	1,19,222.95	1,73,451.30
Fixed rate borrowing	1,27,301.29	91,296.25
Total borrowings	2,46,524.25	2,64,747.55

Market risk is the risk that fair value of future cash flows of a financial instruments will fluctuate because of change in market prices. Market risk comprises two type of risk: interest rate risk and other price risk, such as equity price risk and commodity/real estate risk.

The Company is affected by the price volatility of certain commodities/real estates. Its operating activities require the ongoing development of real estate. The Company's management has developed and enacted a risk management strategy regarding commodity/real estate price risk and its mitigation. The Company is subject to the price risk variations, which are expected to vary in line with the prevailing market conditions.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rate, with all other variables held constant. The impact on entity's profit before tax is due to change in the fair value of borrowings.

(₹ in Lakhs)

Particulars	31st March 2020	31st March 2019
<b>Interest Sensitivity*</b>		
Interest Rates increase by 100 basis points	(2,465.24)	(2,632.48)
Interest Rates decrease by 100 basis points	2,465.24	2,632.48

\*Holding all other variables constant

**b. Price Risk**

The Company's exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

**Sensitivity Analysis**

(₹ in Lakhs)

Particulars	31st March 2020	31st March 2019
<b>Price Sensitivity*</b>		
Price increase by 5% - FVOCI	51.46	51.46
Price decrease by 5% - FVOCI	(51.46)	(51.46)
Price increase by 5% - FVTPL	996.52	902.04
Price decrease by 5% - FVTPL	(996.52)	(902.04)

\*Holding all other variables constant



**41. Related Party Transactions**

1. List of Related Parties as required by IND AS-24, "Related Party Disclosures", are given below:

**A. Related Party where Control Exists****i. Subsidiaries:**

1. Sneha Ashiana Private Limited (100%)
2. New Age Realty Private Limited (60%)
3. Delta PV Private Limited (80%)

**ii. Associates:**

1. Roserow Developers Private Limited (50%)
2. Prajya Urban Private Limited (30%)
3. Bengal Emami Housing Limited (30%)
4. Swardhousing & Infra Private Limited (33.06%)

**iii. Limited Liability Partnerships:**

1. Lohitka Properties LLP (10%)
2. Supervalue Nirman LLP (1%)

**B. Other Parties with whom transactions have taken place during the year****i. Key Management Personnel & Other Directors****a) Key Management Personnel:**

- |                               |   |
|-------------------------------|---|
| 1. Mr. Rajesh Bansal          | Whole-time Director                         |
| 2. Mr. Grijya Kumar Choudhary | Whole-time Director & CFO                   |
| 3. Dr. Nitesh Kumar Gupta     | Chief Executive Officer (w.e.f. 30.11.2018) |
| 4. Mrs. Payal Agarwal         | Company Secretary                           |

**b) Other Directors:**

- |                              |  |
|------------------------------|--|
| 1. Mr. Abhijeet Datta        | Non-Executive Chairman (Independent)   |
| 2. Mr. Hari Mohan Manda      | Independent Director                   |
| 3. Mr. Ram Gobind Gauriwala  | Independent Director                   |
| 4. Mrs. Karabi Sengupta      | Independent Director                   |
| 5. Mr. Debasish Bhattacharya | Independent Director                   |
| 6. Mr. Basant Kumar Parash   | Non-Executive Non-Independent Director |

**ii. Relatives of Key Managerial Personnel**

- |                             |   |
|-----------------------------|---|
| 1. Mr. Yasho Vardhan Bansal | Son of Mr. Rajesh Bansal (Cresed w.e.f. 31.12.2018) |
|-----------------------------|---|

**iii. Entities where one Key Management Personnel have significant influence**

1. Dev Infracity Private Limited
2. Raj Intraproperties Private Limited

**iv. Promoters**

- |                                      |                                    |
|--------------------------------------|------------------------------------|
| 1. Bhamu Vyapar Private Limited      | 6. Emami Capital Markets Limited   |
| 2. Divakar Vinayog Private Limited   | 7. Emami Frankross Limited         |
| 3. Suntrack Commerce Private Limited | 8. Emami Paper Mills Limited       |
| 4. Prabhakar Vinayog Private Limited | 9. Raviraj Vinayog Private Limited |
| 5. Sunaj Vinayog Private Limited     | 10. TMT Vinayog Limited            |

**v. Entities wherein the Company's promoters have significant influence**

- |   |   |
|---|---|
| 1. Add Alhacross Properties Private Limited   | 23. Paradise Agriculture Private Limited  |
| 2. AMRI Hospitals Limited   | 24. Prime Constructions Private Limited   |
| 3. Aviro Vyapar Private Limited   | 25. Sanjivani Vyapar LLP                  |
| 4. Creative Cultivation Private Limited   | 26. Sneha Skyhigh Private Limited         |
| 5. Emami Agrotech Limited   | 27. Sneha Abasan Private Limited          |
| 6. Fastgrow Beverages Limited<br>(Formerly Emami Beverages Limited)                           | 28. Sneha Enclave Private Limited         |
| 7. Supervalue Buddcon Private Limited<br>(Formerly Emami Buddcon Private Limited)             | 29. Sneha Gardens Private Limited         |
| 8. Emami Cement Limited   | 30. Sneha Niketan Private Limited         |
| 9. Supervalue Constructions Private Limited<br>(Formerly Emami Constructions Private Limited) | 31. Sundew Finance Pvt. Ltd.              |
| 10. Emami Estates Private Limited   | 32. South City Projects (Kolkata) Limited |
| 11. Emami Home Private Limited  | 33. Anamika Kala Sangam Trust             |
| 12. Essasi Limited  | 34. Auto Hatch Private Limited            |
| 13. Emami Power Limited (upto 28.03.2021)   | 35. Begonia Textiles Private Limited      |
| 14. Fastgrow Projects Private Limited<br>(Formerly Emami Projects Private Limited)            | 36. Camellias Merchants Private Limited   |
| 15. Fastgrow Nirman Private Limited<br>(Formerly Emami Nirman Private Limited)                | 37. Eveningstar Trades Private Limited    |
| 16. Emami Vriddhi Commercial Private Limited  | 38. Eveningstar Vinimay Private Limited   |
| 17. Fastgrow Crops Private Limited  | 39. Fiddle Engineering Private Limited    |
| 18. Jhansi Properties Private Limited   | 40. Genl Commodore Private Limited        |
| 19. Magnificent Vyapar LLP  | 41. Polpit Vincom Private Limited         |
| 20. Milkot Trades Private Limited   | 42. Sureshine Vinimay Private Limited     |
| 21. New Way Constructions Limited   | 43. Swans Home Private Limited            |
| 22. Oriental Sales Agencies (India) Private Limited   | 44. Touchwin Tradecom Private Limited     |



**EMAMI REALTY LIMITED**

**Notes to Financial Statements**

**11. Transactions during the year with related parties:**

Nature of Transactions	Particulars											Total
	31-03-2020	31-03-2019	31-03-2018	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012	31-03-2011	31-03-2010	
Loans Taken	-	-	-	-	-	-	-	-	-	-	-	-
Loans Repaid	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	-	-	-	-	-	-
Loans Given	1,100.56	1,462.47	5,985.81	1,891.07	156.41	-	-	-	-	-	-	-
Repayments of Loan Given	791.69	-	4,181.66	5,379.26	45.91	-	-	-	-	-	-	-
Interest Received	177.28	161.86	6.34	2,026.87	163.98	-	-	-	-	-	-	-
Interest Received on Inventory	-	-	-	-	-	-	-	-	-	-	-	-
Advances Received	1,119.79	475.17	6.64	-	-	-	-	-	-	-	-	-
Repayment of Advances Received	473.11	-	1.26	-	-	-	-	-	-	-	-	-
Advances Given	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of Advances Given	-	-	-	-	-	-	-	-	-	-	-	-
Reconciliation of Advances Given	-	-	-	-	-	-	-	-	-	-	-	-
DDA Deposit Given	-	-	-	-	-	-	-	-	-	-	-	-
Standard of Security Deposit	-	-	-	-	-	-	-	-	-	-	-	-
Security Deposit Received	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursements	20.31	32.91	273.10	6.26	1,680.01	-	-	-	-	-	-	-
Purchase of Investments	-	-	-	-	-	-	-	-	-	-	-	-
Service Charges Received	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Received	-	-	-	-	-	-	-	-	-	-	-	-
Rent Received	-	-	-	-	-	-	-	-	-	-	-	-
Repair & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Electricity Charges	-	-	-	-	-	-	-	-	-	-	-	-
Rentality	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-	-	-
Government's Paid	-	-	-	-	-	-	-	-	-	-	-	-
Share of Loss in LLP	-	-	-	-	-	-	-	-	-	-	-	-
Share of Profit in LLP	-	-	-	-	-	-	-	-	-	-	-	-
Share term immaturity benefits	-	-	-	-	-	-	-	-	-	-	-	-
Staff term immaturity benefits	-	-	-	-	-	-	-	-	-	-	-	-
Staff Loan	-	-	-	-	-	-	-	-	-	-	-	-
General Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Staff Welfare	-	-	-	-	-	-	-	-	-	-	-	-
Provisioned Trade Payables	-	-	-	-	-	-	-	-	-	-	-	-
Motor Car Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee taken	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee given	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee given	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2020	5,842.26	5,255.21	431.69	3,967.24	85,191.64	31,070.02	-	-	-	-	-	-
Loans Given	674.30	329.14	32.32	69.45	5,195.01	17,290.92	-	-	-	-	-	-
Loans Taken	-	-	-	-	-	-	-	-	-	-	-	-
Interest Payable	-	-	-	-	-	-	-	-	-	-	-	-
Advances Given	-	-	-	-	-	-	-	-	-	-	-	-
Advances Taken	1,829.73	475.17	11.21	11.21	-	-	-	-	-	-	-	-
Provisioned Capital Account with a LLP (Credit Balance)	-	-	-	-	-	-	-	-	-	-	-	-
Security Deposit	5,000.00	5,000.00	-	-	-	-	-	-	-	-	-	-
Security Deposit Received	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Investments	1,189.62	1,186.62	1,448.01	2,448.01	0.41	-	-	-	-	-	-	-
Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Payable	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee taken	4,432.71	2,179.64	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee given	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-

① Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

② Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

③ Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

④ Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

⑤ Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

⑥ Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

⑦ Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

⑧ Where necessary, these benefits are actually determined as per all provisions and hence are separately disclosed.

The Company's related party transactions are disclosed in the following tables with whom the Company routinely enters into transactions in the ordinary course of business.



# **EMAMI REALTY LIMITED**

## **Notes to Financial Statements**

### **vii. Disclosure as per Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015**

Loans and advances in the nature of loans given to Subsidiaries and Associates:

(₹ in Lakhs)

Name of the Party	Amount outstanding		Maximum Balance outstanding during the year	
	31st March 2020	31st March 2019	2019-20	2018-19
<b>Loans:</b>				
Sneha Ashiana Private Limited	2,332.63	1,767.16	2,453.99	1,767.16
New Age Realty Private Limited	2,213.85	2,210.45	2,213.85	2,210.45
Delta PV Private Limited	1,970.11	1,634.85	1,970.11	1,634.85
Bengal Emami Housing Limited	464.01	4,081.69	4,081.69	4,081.69





**EMAMI REALTY LIMITED**  
Notes to Financial Statements

42 Details of terms of repayment and nature of securities provided in respect of secured borrowings (non current) are as under:

Bank	Nature of Security	Repayment terms	Interest Rate	As at	
				31st March 2020	31st March 2019
a. RBI, Bank Limited	Exclusive charge by way of hypothecation on present and future inventory and receivables (including receivables of Landowners) from the project 'Emami Aeriecity', Kakapatti Combitature, Tamil Nadu. Further, the loan is secured by the Corporate Guarantee of a related party and the land owning company (wholly owned subsidiary).	Term Loan of ₹7,500 Lakhs is repayable in 10 structured quarterly installments of ₹750 Lakhs each from June, 2019.	10.75%	3,866.85	6,451.00
b. RBI, Bank Limited	Subsequent charge by way of hypothecation over receivables of Company's Project 'Emami City' and 'Emami Tejomaya' coupled with corporate guarantee and pledge of equity shares held by two related parties	Repaid in February, 2020	10.15%	-	12,301.49
c. ICICI Bank Limited	First charge on immovable property owned by Add Allottees Properties Private Limited at 54 Egattur Village, Chengalpet Taluk, Tamil Nadu under the name of Project 'Emami Tejomaya' and its receivables thereof. Further, the loan is secured by the corporate guarantee of Add Allottees Properties Private Limited and Oriental Sales Agencies (India) Private Limited and fixed deposits of ₹773.97 Lakhs kept in Ben with Bank.	Term Loan of ₹11,500 Lakhs is repayable in 30 monthly installments of ₹383 Lakhs each from April, 2017; ₹15,000 Lakhs is repayable in 30 monthly installments of ₹500 Lakhs each commencing from April, 2020	10.50%	9,411.57	16,794.45
d. ICICI Bank Limited	First charge on immovable property owned by Oriental Sales Agencies (India) Private Limited at 2 Jessore Road, Kolkata - 700028 under the name of Project 'Emami City' and its receivables thereof as well as additional security of a land parcel owned by a related party together with the corporate guarantee by the said related party to the extent of the value of above mortgaged land. Further, the loan is secured by the corporate guarantee of Oriental Sales Agencies (India) Private Limited except for a sum of ₹1,000 Lakhs as well as fixed deposits of ₹82.50 Lakhs kept in Ben with Bank.	Term Loan of ₹9,000 Lakhs is repayable in 24 monthly installments of ₹375 Lakhs each from April, 2018; ₹19,000 Lakhs is repayable in 24 monthly installments of ₹417 Lakhs each from April, 2018; ₹5,000 Lakhs is repayable in 24 monthly installments of ₹125 Lakhs each commencing from April, 2020.	10.85%	1,440.89	11,806.57
Less: Current Maturities of Long Term Debt disclosed under Other Financial Liabilities (Refer Note No. 24)				14,716.11 15,832.76	47,317.11 22,515.03
<b>Total</b>				<b>806.85</b>	<b>34,812.08</b>



**EMAMI REALTY LIMITED**  
**Notes to Financial Statements**

(B) Term Loans from Non Banking Financial Companies

		(₹ in Lakhs)	
Financial Institutions	Nature of Security	As at 31st March 2020	As at 31st March 2019
i Axis Finance Limited	First charge by way of mortgage of Lands in Dubai, owned by the Company and related parties coupled with Corporate Guarantees of (the land owning companies and two related parties.	683.35	6,342.96
ii Housing Development Finance Corporation Limited	First charge by way of mortgage of owned land at Buda, Jhansi, Uttar Pradesh along with First Charge of further land at Buda, Jhansi, Uttar Pradesh owned by related parties coupled with Corporate Guarantees of two related parties.	4,992.37	44,926.57
iii Housing Development Finance Corporation Limited	First charge in immovable property owned by the Company and four related parties at Khadar, Uttar Pradesh, under the name of Project "Emami Nature", as well as hypothecation over the inventory and receivables thereof. Further, the loan is secured by the guarantee of related parties including the land owning companies	7,892.05	7,811.24
	Less Current Maturities of Long Term Debt disclosed under Other Financial Liabilities (Refer Note No. 21)	13,566.87	29,110.77
		8,543.61	17,736.33
	<b>Total</b>	<b>5,029.69</b>	<b>11,374.44</b>

(C) Redeemable Non-Convertible Bonds

		(₹ in Lakhs)	
Non-Convertible Bonds	Nature of Security	As at 31st March 2020	As at 31st March 2019
i 600 (Nil) Redeemable Non-Convertible Bonds of ₹1,00,00,000/- each	Non-Pledge of investment in Emami Cement Limited and Non-disposal of Undertaking on investment in Emami Agrotech Limited collectively due to April 23, 2021 to the extent of ₹3,187.52 with other securities of other issuer companies, being related parties coupled with corporate guarantee of related parties	59,822.30	-
	Less Current Maturities of Long Term Debt disclosed under Other Financial Liabilities (Refer Note No. 24)	59,822.30	-
	<b>Total</b>	<b>59,822.30</b>	<b>-</b>



**EMAMI REALTY LIMITED**  
**Notes to Financial Statements**

43 Details of terms of repayment and nature of securities provided in respect of unsecured borrowings (non current) are as under:  
 (A) Redeemable Non Convertible Debentures

	Non Convertible Debentures	Nature of Security	Repayment terms	Interest Rate	As at	
					31st March 2020	31st March 2019
i.	Nil (000) Non-Convertible Debentures of ₹10,00,000/- each	Pledge of equity shares coupled with corporate guarantee of a related party	Pre-redeemed in June, 2019	Zero		4,992.52
ii.	Nil (1000) Non-Convertible Debentures of ₹1,00,000/- each	Pledge of equity shares coupled with corporate guarantee of a related party	Pre-redeemed in June, 2019	Zero		10,000.00
iii.	Nil (1000) Non-Convertible Debentures of ₹10,00,000/- each	Pledge of equity shares coupled with corporate guarantee of a related party	Pre-redeemed in June, 2019	Zero		9,999.53
Less: Current Maturities of Long Term Debt disclosed under Other Financial Liabilities (Refer Note No. 24)						
					<b>Total</b>	
						24,989.35
						10,000.00
						14,989.35



**EMAMI REALTY LIMITED**  
Notes to Financial Statements

(B) Term Loans from Non Banking Financial Companies

(₹ in Lakhs)

Financial Institutions	Nature of Security	Repayment terms	Interest Rate	As at	
				31st March 2020	31st March 2019
i. Kotak Mahindra Prime Limited	Panposso charge by mortgage of Project Land at Mulund, Mumbai owned by Toluka Properties LLP and charge on Interest Service Reserve Account represented by Fixed deposits of ₹416.91 Lakhs each. Further, the loan is inter alia secured by Corporate Guarantee of a related party and panposso charge by way of hypothecation on all receivables and cash flows due from LLP.	₹500 Lakhs is repayable in 36 monthly installments of ₹133.33 Lakhs each, commencing from January, 2020.	10.91%	4,221.08	4,817.31
ii. Kotak Mahindra Investments Limited	Pledge of equity shares coupled with corporate guarantee of a related party.	Repaid in April 2019	11.00%	-	2,498.68
iii. Axis Finance Limited	Pledge of equity shares coupled with corporate guarantee of a related party.	Repaid in September 2019	10.50%	-	1,488.28
iv. Housing Development Finance Corporation Limited	Pledge of equity shares coupled with corporate guarantee of a related party.	Repaid in February 2020	10.00%	-	5,572.45
v. Clix Capital Services Private Limited	Corporate Guarantee of a related party	Repaid in September 2019	10.50%	-	495.34
vi. Aditya Buda Finance Limited	Corporate Guarantee of a related party	Repaid in November 2019	14.00%	-	1,837.48
vii. Housing Development Finance Corporation Limited	First charge by way of mortgage of Land at Buda, Uttar Pradesh owned by a related party coupled with Corporate Guarantee of the land owning company and two related parties	Repaid in September 2019	10.50%	-	2,978.05
viii. Housing Development Finance Corporation Limited	First charge by way of mortgage of land at Buda, Jhansi, Uttar Pradesh owned by five related parties coupled with Corporate Guarantee of a related party for ₹10,000 lakhs	Repaid in November 2019	12.50%	-	3,235.12
ix. Clix Capital Services Private Limited	Panposso charge by mortgage of Project Land at Mulund, Mumbai owned by Toluka Properties LLP and charge on Interest Service Reserve Account represented by Fixed deposits of ₹227.25 Lakhs kept in lieu. Further, the loan is inter alia secured by Corporate Guarantee of a related party and panposso charge by way of hypothecation on all receivables and cash flows due from LLP.	₹10,000 Lakhs is repayable in 36 monthly installments of ₹277.78 Lakhs each, commencing from January, 2020.	15.00%	7,577.33	9,727.14
x. Aditya Buda Finance Limited	Pledge of equity shares coupled with corporate guarantee by a related party	₹7,000 Lakhs is repayable in structured repayments 25% at the end of first year i.e. June 2020, 25% at the end of second year June, 2021 and remaining 50% at the end of third year at maturity i.e. June 2022.	12.50%	6,484.90	-
Less: Current Maturities of Long Term Debt disclosed under Other Financial Liabilities (Refer Note No. 24)				18,263.40	33,288.81
				4,727.12	12,500.00
<b>Total</b>				<b>13,558.26</b>	<b>20,739.84</b>



**EMAMI REALTY LIMITED**  
**Notes to Financial Statements**

44 Details of terms of repayment and securities provided in respect of unsecured borrowings (current) are as under:

(A) Redeemable Non-Convertible Debentures

Mutual Fund/ Financial Institutions		Nature of Security	Repayment terms	Interest Rate	As at 31st March 2020	As at 31st March 2019
I. Nil	Non-Convertible Debentures of ₹10,00,000/- each	Hedge of equity shares coupled with corporate guarantee of a related party	Redeemed in May, 2019	Zero	-	2,500.00
<b>Total</b>					-	<b>2,500.00</b>

(₹ in Lakhs)

(B) Term Loans from Non-Banking Financial Companies

Financial Institutions		Nature of Security	Repayment terms	Interest Rate	As at 31st March 2020	As at 31st March 2019
I. Aditya Birla Finance Limited	Hedge of equity shares coupled with corporate guarantee by related party		Repaid in April, 2019	10.25%	-	4,500.00
II. Bajaj Finance Limited	Hedge of equity shares coupled with corporate guarantee by related party		Repaid in October, 2019	10.00%	-	5,000.00
III. JM Financial Products Ltd	Hedge of equity shares coupled with corporate guarantee by related party		Repaid in September, 2019	13.75%	-	3,500.00
<b>Total</b>					-	<b>13,000.00</b>

(₹ in Lakhs)



**EMAMI REALTY LIMITED****Notes to Financial Statements**

45 The Company is 10% partner in Lohitka Properties LLP, Mumbai which is developing a real estate project, presently under construction. The financial statement of the above entity for the Financial Year 2019-20 have not yet been finalized and audited and thus not made available to the Company for incorporation in its own financial statement. Accordingly, no effect of the profitability, if any, relating to the above entity has been considered in the accounts.

**46 Capital Management**

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to the shareholders and benefit for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt as below:

(₹ in Lakhs)

Particulars	31st March 2020	31st March 2019
Borrowings ( Non-Current and current including current maturities of non-current borrowings)	2,46,574.25	2,65,247.33
Other Financial Liabilities	27,246.53	4,008.64
Less: Cash and Cash equivalents (including other bank balances)	1,694.48	1,281.99
<b>Net Debt (A)</b>	<b>2,72,116.80</b>	<b>2,67,974.20</b>
Equity Share Capital	756.89	326.78
Other Equity	10,585.46	15,682.93
<b>Equity (B)</b>	<b>11,342.34</b>	<b>16,241.71</b>
<b>Equity plus Net Debt (C=A+B)</b>	<b>2,83,459.64</b>	<b>2,84,215.91</b>
<b>Gearing Ratio (D=A/C)</b>	<b>96.00%</b>	<b>94.28%</b>

**47 (i) Information regarding Investment Property**

(₹ in Lakhs)

Particulars	2019-20	2018-19
Fair Value of opening balance of investment property	5,936.51	5,729.73
Fair Value of closing balance of investment property	3,783.53	5,936.51

The fair value of investment property has been classified as Level 3 fair value in the fair value hierarchy due to the use of unobservable inputs. There has been no change in valuation techniques used since prior years.

**(ii) Amount recognized in Statement of Profit and Loss for Investment Properties**

(₹ in Lakhs)

Particulars	2019-20	2018-19
Rental Income	32.92	9.00
Less: Direct operating expenses that generate rental income	1.99	2.27
<b>Profit/(Loss) from investment property before depreciation</b>	<b>30.93</b>	<b>6.73</b>
Less: Depreciation	68.27	20.24
<b>Profit/(Loss) from investment property after depreciation</b>	<b>(37.34)</b>	<b>(13.51)</b>

**48 Investment in Limited Liability Partnerships****Name****Profit Sharing Ratio****Total Capital (₹ in Lakhs)**

	Profit Sharing Ratio		Total Capital (₹ in Lakhs)	
	2019-20	2018-19	2019-20	2018-19
i. Lohitka Properties LLP	10%	10%	0.40	0.40
ii. Supervalue Nirman LLP	1%	1%	0.01	0.01

**49 Expenditure in Foreign Currency (On Payment Basis)**

(₹ in Lakhs)

Particulars	2019-20	2018-19
Employee Training Expenses	43.91	37.90
<b>Total</b>	<b>43.91</b>	<b>37.90</b>

**50 Contingent Liabilities & Commitments****i. Contingent Liabilities**

(₹ in Lakhs)

Particulars	31st March 2020	31st March 2019
a) Claims against the Company not acknowledged as debt		
Service Tax	-	55.64
b) Guarantee and counter guarantee given		
i. Bank Guarantee	6.88	6.47
ii. Arising on account of Corporate Guarantee and mortgage of rights, title and interest etc. entitlements accruing to the Company under a Joint Development Agreement, for and on behalf of a related party	13,000.00	-
iii. Bond holder on behalf of related parties (Refer Note No. 42(C)).	60,000.00	-
<b>ii. Commitments</b>		
Major Contract Commitment outstanding for land purchase	3,000.00	3,000.00

51 The Company has entered into Joint Development Agreements for development of Projects at various locations



## **EMAMI REALTY LIMITED**

### **Notes to Financial Statements**

- 52 Scheme of Arrangement for demerger of Real Estate Undertaking of Oriental Sales Agencies (India) Private Limited into Emami Realty Limited
- a) Pursuant to the Scheme of Arrangement for demerger of Real Estate Undertaking (hereinafter called "the Scheme") under Section 230 to 232 of the Companies Act 2013 sanctioned by the Hon'ble National Company Law Tribunal, Kolkata Bench ("NCLT"), vide its Order dated 10th August, 2021, Real Estate Undertaking of Oriental Sales Agencies (India) Private Limited is demerged with the Company with effect from 1st April 2019 (the "Appointed Date") and pursuant thereto, the Real Estate undertaking with all its assets and liabilities relating thereto has been transferred to and vested in the Company on a going concern basis. The Scheme became effective on 31st August' 2021 (the "Effective Date"), upon filing of the Order of NCLT with the Registrar of Companies, West Bengal. Consequent to such filing, the Scheme has been given effect to in these financial statements. Therefore, this Balance Sheet has been prepared to give effect of above scheme, for taxation purposes only.
- b) Oriental Sales Agencies (India) Private Limited is currently engaged in the business of (i) Real Estate and (ii) Trading in Paintings/ Shares & Securities.
- c) As this is a common control transaction, the demerger has been accounted using the 'pooling of interest' method and figures for the previous period have been recast as if the demerger had occurred from the beginning of the preceding period in accordance with the requirements of Appendix C of Ind AS 103 on Business Combinations, specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the assets, liabilities and reserves of the Real Estate Undertaking of Oriental Sales Agencies (India) Private Limited as on the Appointed Date have been merged with the Company at their carrying values.
- d) Pursuant to the Scheme coming into effect:
- 99,05,000 equity shares of the Company will be issued to the shareholders of Oriental Sales Agencies (India) Private Limited, in the ratio of 2.83 equity shares of ₹2/- each of the Company for every 1 equity share of ₹10/- each held by such shareholder in Oriental Sales Agencies (India) Private Limited; on the record date. Till then the same has been shown as Share Suspense A/C under Equity Share Capital and effect of the same has been debited to Capital Reserve A/C as per the scheme.
- 53 Against the JDA Assignment Agreement entered by New Age Realty Private Limited, subsidiary of the Company with Presidium Construction (Coimbatore) Pvt. Ltd. and 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 Avinashi Road, Coimbatore and further to this, against Area Assignment Agreement entered between the Company and the said Landlord, the said Landlord has served Termination Notice and legal proceedings led to an appointment of Justice P K Balasubramanyan, Retired Judge of Supreme Court of India, as a sole arbitrator pursuant to the Order of Hon'ble Madras High Court, who has passed an award on 1st June 2017. While inter-alia confirming the possession of the subject land to the said subsidiary, he has not allowed interest on monies paid to the Landlord from the beginning. The Company and its said subsidiary have preferred an application u/s 34 of the Arbitration and Reconciliation Act 1996 for setting aside the award before the District Court, Coimbatore. The matter has been admitted and accordingly, the results of the proceedings are expected to be in its favour. The Landlord has not been able to pay as per the award passed by the said arbitrator.
- 54 The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of Receivables, Inventories, Investments and other assets/ liabilities. Based on the internal and external sources of information, the Company is of the view that the impact of COVID-19 is not material. Due to the nature of pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

### **55 Segment Reporting**

The Company is engaged in the business of Real Estate Development, which as per Ind AS 108 on 'Segment Reporting' is considered to be the only reportable business segment. The Company is operating only in India and there is no other significant geographical segment.

### **56 Corporate Social Responsibility**

(₹ in lakhs)

Particulars	31st March 2020	31st March 2019
a) Gross amount required to be spent by the Company during the year	15.44	8.60
b) Amount spent during the year	-	-
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	15.30	18.00



**EMAMI REALTY LIMITED****Notes to Financial Statements**

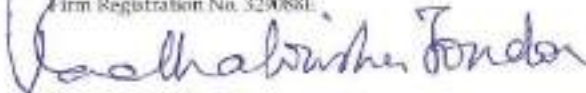
57 There were no dues outstanding for more than 45 days to any Micro Enterprise and Small Enterprises suppliers. The above information regarding Micro Enterprise and Small Enterprises has been determined to the extent such communication has been received from the respective parties by the Company. This has been relied upon by the Auditors.

(₹ in Lakhs)

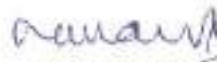
Particulars	31st March 2020	31st March 2019
i) the Principal amount remaining unpaid to supplier as at the end of each accounting year	20.18	-
ii) the amount of interest paid by the buyer in terms of Section 16 along with amount of the payment made to the supplier beyond the appointed day during the each accounting year	NIL	NIL
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond appointed day during the year) but without adding the interest specified under MSMED Act 2006	NIL	NIL
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
v) the amount of further interest remaining due and payable in the succeeding year until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23	NIL	NIL

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

As per our report of even date  
For AGRAWAL TONDON & CO.  
Chartered Accountants  
Firm Registration No. 329088E



Radhakrishnan Tondon  
Partner  
M. No. 068534  
Place: Kolkata  
Date: 29/11/2021



Hari Mohan Marra  
Director  
DIN: 00833466



Rajendra Agarwal  
Chief Financial Officer



Dr. Nilesh Kumar Gupta  
Managing Director & CEO  
DIN: 08756907



Pooja Agarwal  
Company Secretary  
ACS 22418

