



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

*Chartered Accountants*  
Firm Registration No. 306033E

SUITE NOS : 608-608  
THE CHAMBERS, OPP. GITANJALI STADIUM  
1865, RAJDANGA MAIN ROAD, KASBA  
KOLKATA - 700 107  
PHONE : 033-4008 9902 / 9903 / 9904  
FAX : 033-40089905, Website : www.skagrwal.co.in

## **Independent Auditor's Report**

### **To the Members of Emami Infrastructure Limited**

#### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Emami Infrastructure Limited** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the





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standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, its Profit including other comprehensive income, Cash Flows and the changes in equity for the year ended on that date.

## Other Matters

The standalone Ind AS financial statements include Rs.8.22 lakhs being its share of loss in one of the LLPs for the year 31<sup>st</sup> March, 2018 whose Ind AS financial statements have been audited by other auditor whose reports have been furnished to us by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;





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- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Rules issued thereunder;
- (e) On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statement- Refer Note 52 to the standalone Ind AS financial statements;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.



Place: Kolkata  
Dated: 30<sup>th</sup> May, 2018

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

  
J. K. Choudhury

(Partner)  
Membership No. 009367



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## Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of **Enami Infrastructure Limited** ("the Company") on the standalone Ind AS financial statements for the year ended on 31<sup>st</sup> March 2018. We report that:

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment. Investment property and intangible assets;  
  
(b) The Company has a regular programme of physical verification of its Property, Plant & Equipment by which Property, Plant & Equipment are verified in a phased manner. In accordance with this programme, certain Property, Plant & Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets; and  
  
(c) According to information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- II. The inventories have been physically verified during the year by the management at regular intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification;
- III. The Company has granted unsecured loans to companies covered in the Register maintained under section 189 of the Companies Act, 2013 ('the Act'). In respect of such loans:
  - a) In our opinion, the rate of interest and other terms and conditions on which loans have been granted to the Companies listed in the register maintained under section 189 of the Act are not, prima facie, prejudicial to the interest of the Company;
  - b) In case of the loans granted to the Companies listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated; and
  - c) There is no overdue amount in respect of the loans granted to these Companies;
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Act with respect to the loans, investments, guarantees and securities made. Further, the provisions of section 186 of the Act in respect of loans, guarantees and securities are not applicable to the Company, being an infrastructure Company as defined under schedule VI to the Act;







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- V. The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014 as amended.
- VI. As explained to us, the Company is not required to maintain cost records prescribed by the Central Government under sub-section (1) of section 148 of the Act;
- VII. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Value added Tax, Goods & Services Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date on which they became payable. During the year, the company did not have any dues towards duty of excise and duty of custom;
- VIII. In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders;
- IX. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were applied by the Company for the purposes for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year;
- X. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- XI. According to the information and explanations given to us, the Company has paid or provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act;
- XII. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company;
- XIII. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the standalone Ind AS Financial Statements as required by the applicable Indian Accounting Standards;
- XIV. According to the information and explanations given to us and based on our examination of records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year;





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

## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

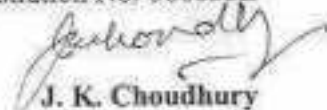
## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the ICAI.

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

  
J. K. Choudhury

(Partner)

Membership No. 009367



Place: Kolkata

Dated: 30<sup>th</sup> May, 2018

**EMAMI INFRASTRUCTURE LIMITED****Balance Sheet as at 31st March, 2018**

₹ in Lakhs

	Note	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	2	115.78	82.98	113.50
Investment Property	2	5,729.72	4,575.45	4,073.31
Intangible Assets	2	60.14	27.51	15.28
Intangible Assets under Development	2	-	33.95	-
<b>Financial Assets</b>				
Investments	3	17,443.46	7,119.98	11,375.18
Loans	4	31,626.70	31,417.87	12,527.08
Other Financial Assets	5	886.00	941.60	1,061.11
Other Non-Current Assets	6	90.45	90.41	86.83
Deferred Tax Assets (Net)	7	549.13	88.89	117.91
<b>Total Non-Current Assets</b>		<b>56,499.38</b>	<b>44,375.67</b>	<b>29,370.20</b>
<b>Current Assets</b>				
Inventories	8	1,14,491.25	81,822.91	61,032.35
<b>Financial Assets</b>				
Investments	9	385.62	389.66	419.66
Trade Receivables	10	-	-	50.16
Cash and Cash Equivalents	11	818.02	387.86	673.53
Bank Balance other than above	12	325.51	936.62	760.80
Loans	13	91,148.91	76,097.11	67,148.57
Other Financial Assets	14	2,106.63	990.66	791.36
Current Tax Assets (Net)	15	1,577.58	845.49	1,146.64
Other Current Assets	16	5,685.80	6,180.18	6,229.59
<b>Total Current Assets</b>		<b>2,16,539.32</b>	<b>1,67,653.49</b>	<b>1,38,252.68</b>
<b>TOTAL</b>		<b>2,73,038.70</b>	<b>2,12,032.16</b>	<b>1,67,622.88</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	17	558.78	485.97	485.97
Other Equity	18	15,359.93	2,070.37	614.07
<b>Total Equity</b>		<b>15,918.71</b>	<b>2,556.34</b>	<b>1,100.04</b>
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	19	96,254.81	93,073.96	67,962.44
Provisions	20	190.86	148.10	153.00
<b>Total Non-Current Liabilities</b>		<b>96,445.67</b>	<b>93,222.06</b>	<b>68,115.44</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	21	56,424.35	24,967.67	20,417.43
Trade Payables	22	1,138.44	1,886.12	2,257.60
Other Financial Liabilities	23	53,548.70	44,788.78	35,574.94
Other Current Liabilities	24	49,548.48	44,600.71	40,145.62
Provisions	25	14.35	10.48	11.81
<b>Total Current Liabilities</b>		<b>1,60,674.32</b>	<b>1,16,253.76</b>	<b>98,407.40</b>
<b>TOTAL</b>		<b>2,73,038.70</b>	<b>2,12,032.16</b>	<b>1,67,622.88</b>

Summary of Significant Accounting  
Policies and Notes to Financial  
Statements

1 to 57

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

*J. K. Choudhary*  
J. K. Choudhary  
Partner  
M. No. 009367  
Place: Kolkata  
Date: 30th May, 2018

For and on behalf of the Board of Directors

*Arvind Datta*  
Arvind Datta  
Chairman  
DIN: 00790029

*Hari Mohan Malik*  
Hari Mohan Malik  
Director  
DIN: 0085486

*Ram Gobind Ganeriwala*  
Ram Gobind Ganeriwala  
Director  
DIN: 00863042

*Karohi Jaggi*  
Karohi Jaggi  
Director  
DIN: 02534951

*Rosant Kumar Pasricha*  
Rosant Kumar Pasricha  
Director  
DIN: 00103176

*Gita Kumar Choudhary*  
Gita Kumar Choudhary  
Whole-time Director & CFO  
DIN: 00821762

*Payel Jain*  
Payel Jain  
Company Secretary  
ACS-22418



**EMAMI INFRASTRUCTURE LIMITED****Statement of Profit and Loss for the year ended 31st March, 2018**

(₹ in Lakhs)

Particulars	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>INCOME</b>			
Revenue from Operations	26	146.73	93.46
Other Income	27	11,883.18	11,794.35
<b>Total Revenue (I)</b>		<b>12,029.91</b>	<b>11,887.81</b>
<b>EXPENSES</b>			
Purchases	28	6,101.53	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(32,235.57)	(20,790.56)
Employee Benefits Expense	30	1,482.18	1,536.52
Finance Costs	31	21,372.13	16,111.50
Project Expenses	32	14,149.02	12,890.65
Depreciation & Amortisation Expense		42.88	35.11
Other Expenses	33	841.26	267.32
<b>Total Expenses (II)</b>		<b>11,753.43</b>	<b>10,050.54</b>
<b>Profit before tax (I-II)</b>		<b>276.48</b>	<b>1,837.27</b>
<b>Tax Expenses</b>			
Current Tax		197.67	340.70
MAT Credit Entitlement		(115.25)	-
Deferred Tax		(62.16)	32.05
Income Tax paid/refund for Earlier Years		(122.63)	2.50
<b>Profit for the year</b>		<b>378.85</b>	<b>1,462.02</b>
<b>Other Comprehensive Income</b>			
Items that will not be subsequently reclassified to statement of Profit or Loss			
Remeasurements of the defined benefit plan		9.76	(8.74)
Income Tax on above		(3.38)	3.03
<b>Total Comprehensive Income for the year</b>		<b>385.23</b>	<b>1,456.30</b>
<b>Earnings per Equity Share of face value of ₹2/- each</b>			
<b>Basic &amp; Diluted</b>	34	1.36	6.02

Summary of Significant Accounting Policies and Notes to Financial Statements

1 to 57

For and on behalf of the Board of Directors

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

*J. K. Choudhury*  
J. K. Choudhury  
Partner  
M. No. 009367  
Place: Kolkata  
Date: 30th May, 2018

*Abhijit Datta*  
Abhijit Datta  
Chairman  
DIN: 00790029

*Karabi Sengupta*  
Karabi Sengupta  
Director  
DIN: 02534951

*Payel Jain*  
Payel Jain  
Company Secretary  
ACS 22418

*Hari Mohan Marda*  
Hari Mohan Marda  
Director  
DIN: 00855466

*Basant Kumar Parakh*  
Basant Kumar Parakh  
Director  
DIN: 00103176

*Ram Gobind Ganeriwala*  
Ram Gobind Ganeriwala  
Director  
DIN: 00863042

*Surja Kumar Choudhary*  
Surja Kumar Choudhary  
Whole-time Director & CFO  
DIN: 00821762





**EMAMI INFRASTRUCTURE LIMITED****Cash Flow Statement for the year ended 31st March, 2018**(*₹ in Lakhs*)

	Year ended 31 March, 2018	Year ended 31 March, 2017
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	276.48	1,837.27
<b>Add: Adjusted for</b>		
Depreciation and Amortisation Expense	42.88	35.11
Finance Costs	21,945.47	16,613.63
Share of Loss in LLP	8.22	23.09
Loss on Sale of Current Investments	-	18.00
Expenses from Investment measured at amortised cost	90.13	-
Dividend Received	(116.49)	(14.00)
Profit on Sale of Non-Current Investment	(23.00)	-
Profit on Sale of Current Investments	(0.10)	-
Profit on sale of Units of Mutual Funds	(0.84)	(14.14)
Profit on Sale of Fixed Assets	(1.06)	-
Reversal of Share of Loss in LLP in Previous Year	-	(334.02)
Income from Investment measured at amortised cost	-	(52.40)
Interest Income	(11,313.02)	(11,018.24)
<b>Operating Profit before Working Capital Changes</b>	<b>10,908.67</b>	<b>7,094.30</b>
<b>Adjusted for:</b>		
Non-Current Provisions	37.45	(4.90)
Trade Payables	(747.68)	(371.48)
Other Financial Liabilities	39.11	1,889.76
Other Current Liabilities	4,914.96	4,455.09
Current Provisions	3.70	(1.33)
Loans	(208.47)	(18,890.79)
Non-Current Other Financial Assets	55.60	119.51
Other Non-Current Assets	(0.04)	(3.58)
Inventories	(31,676.62)	(20,790.55)
Trade Receivables	-	50.16
Other Financial Assets	(865.46)	(199.30)
Current Tax Assets (Net)	(729.09)	298.15
Other Current Assets	734.57	49.40
<b>Cash Generated from Operations</b>	<b>(17,533.30)</b>	<b>(26,305.56)</b>
Less: Taxes Paid	(40.21)	343.20
<b>Net Cash from Operating Activities (A)</b>	<b>(17,493.09)</b>	<b>(26,648.76)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment, Investment Property, Intangible Assets, Intangible Assets under Development	(1,227.53)	(552.94)
Purchase of units of Mutual Funds	(600.00)	(26,801.21)
Sale of units of Mutual Funds	600.84	26,815.35
(Investments in)/Proceeds from Non Current Investments	675.00	4,255.20
(Investments in)/Proceeds from Fixed Deposit	611.11	(175.82)
Proceeds from Current Investments	4.15	12.00
Dividend Received	116.49	14.00
Loans Given	(21,471.88)	(27,706.98)
Loans Realised	15,217.03	24,162.09
Interest Received	3,723.14	5,614.59
<b>Net Cash from Investing Activities (B)</b>	<b>(2,351.65)</b>	<b>5,636.28</b>



**EMAMI INFRASTRUCTURE LIMITED****Cash Flow Statement for the year ended 31st March, 2018**

(₹ in Lakhs)

	Year ended 31 March, 2018	Year ended 31 March, 2017
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Long-Term Borrowings	1,61,964.86	1,23,633.66
Repayment of Long-Term Borrowings	(1,32,215.01)	(89,979.63)
Interest Paid	(23,336.41)	(15,358.07)
<b>Net Cash from Financing Activities (C)</b>	<b>6,413.44</b>	<b>18,295.96</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(13,431.30)</b>	<b>(2,716.52)</b>
Cash and Cash Equivalents at the beginning of the year *	(2,042.98)	673.55
Add: Transferred from Amalgamating Company as at 1st April 2017	(1,133.81)	-
<b>Cash and Cash Equivalents at the end of the year *</b>	<b>(16,608.09)</b>	<b>(2,042.97)</b>

**Notes to Statement of Cash Flows**

1. Reconciliation of Cash and Cash Equivalents as per the Statement of Cash Flows

Cash and Cash Equivalents as per the above comprise of the following:

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and Cash Equivalents	818.03	387.86
Bank Overdraft which forms an integral part of cash management system	(17,426.12)	(2,430.83)
<b>Total</b>	<b>(16,608.09)</b>	<b>(2,042.97)</b>

2. The above Statement of Cash Flow has been prepared under the "indirect method" as set out in IND-AS-7 "Statement of Cash Flows"

Summary of Significant Accounting Policies and Notes to Financial Statements

I to 57

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

*J. K. Choudhury*  
J. K. Choudhury  
Partner  
M. No. 009367  
Place: Kolkata  
Date: 30th May, 2018

*Abhijit Datta*  
Abhijit Datta  
Chairman  
DIN: 00790029

*Karabi Singh*  
Karabi Singh  
Director  
DIN: 02534951

*Payel Jain*  
Payel Jain  
Company Secretary  
ACS 22418

For and on behalf of the Board of Directors

*Hari Mohan Marda*  
Hari Mohan Marda  
Director  
DIN: 00855466

*Basant Kumar Parakh*  
Basant Kumar Parakh  
Director  
DIN: 00103176

*Ram Gobind Ganeriwala*  
Ram Gobind Ganeriwala  
Director  
DIN: 00863042

*Gopa Kumar Choudhary*  
Gopa Kumar Choudhary  
Whole-time Director & CFO  
DIN: 00821762



# EMAMI INFRASTRUCTURE LIMITED

## Statement of Changes in Equity for the year ended 31st March 2018

(₹ in Lakhs)

a. Equity Share Capital		485.97
Balance at 1 April 2016		-
Changes in Equity Share Capital During the Year, 2016-17		485.97
Balance at 31 March 2017		-
Changes in Equity Share Capital During the Year, 2017-18		485.97
Balance at 31 March 2018		485.97

(₹ in Lakhs)

Particulars	Reserve & Surplus				Total
	Capital Reserve	Revaluation Reserve	General Reserve	Retained Earnings	
Balance at 1 April 2016	2,342.48	-	-	(1,728.41)	614.07
Profit for the year	-	-	-	1,462.02	1,462.02
Other Comprehensive Income	-	-	-	(5.72)	(5.72)
Balance at 31 March 2017	2,342.48	-	-	(272.11)	2,070.37
Less: Cancellation of Investment	-	-	-	(5,726.58)	(5,726.58)
Add: Transferred on amalgamation	447.26	967.90	11,648.88	5,566.87	18,630.91
Profit for the year	-	-	-	378.85	378.85
Other Comprehensive Income	-	-	-	6.38	6.38
Balance at 31 March 2018	2,789.74	967.90	11,648.88	(46.59)	15,359.93

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

*J. K. Choudhury*  
J. K. Choudhury  
Partner  
M. No. 009367  
Place: Kolkata  
Date: 30th May, 2018.

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Chairman  
DIN: 00790029  
*Karabi Singupta*  
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Director  
DIN: 02534951

*Payel Jain*  
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*Hari Mohan Marda*  
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*Ara Kumar Choudhary*  
Ara Kumar Choudhary  
Whole-time Director & CFO  
DIN: 00821762



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

### **1.1 Corporate Overview**

Emami Infrastructure Limited ("the Company") is a public company domiciled in India and incorporated on January 4, 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 Aeropolis, 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 March 31, 2018 were authorised for issue in accordance with a resolution of the Board of directors on May 30, 2018.

### **1.2 Basis of Preparation of financial statements**

These financial statements for the year ended 31<sup>st</sup> March 2018 are the Company's first financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and 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.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. The transition to Ind AS was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Companies Act 2013 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) and other relevant provisions of the Act, as applicable.

### **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





# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

- 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 & 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 Fair Value Measurement**

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All methods of assessing fair value result in general approximation of value and such value may never actually be realised.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- a) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- b) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- c) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### **1.3.4 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.

### **1.3.5 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.

### **1.3.6 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 income statement when the asset is derecognised.

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.

### **1.3.7 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.



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

### **1.3.8 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.

### **1.3.9 Investment property**

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.

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

### **1.3.11 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.



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

### **1.3.12 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:

Principles of Ind AS 18 in respect of sale of goods for recognising revenue, costs and profits from transactions of real estate which are in substance similar to delivery of goods when the revenue recognition process is completed; and

In case of real estate sales where agreement for sale is executed for under construction properties, revenue in respect of individual contracts is recognised when performance on the contract is considered to be completed.

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.

### **1.3.13 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, where the Company has no further obligations. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary.

#### **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 actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. 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.





# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

### **13.14 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 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.



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

### **1.3.15 Leases**

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.

For arrangements entered into prior to 1 April 2016, the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### *As a lessee*

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs (See note 1.3.17). Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments (net of any incentives received from the lessor) are charged to Statement of Profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **1.3.16 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.

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.



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

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.

### **1.3.17 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.

### **1.3.18 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.

### **1.3.19 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **a. Financial assets**

##### **i. Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **ii. Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments at amortised cost
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### **Debt instruments at amortised cost other than derivative contracts**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### **Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value other than equity investments measured at deemed cost on first time adoption of Ind AS as set out in Note. 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 FVTOCI 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 FVTOCI, 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.

### **iii. De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred substantially all the risks and rewards of the asset

### **iv. Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.





# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

### **b. Financial liabilities**

#### **i. Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, investment in subsidiaries and joint ventures, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **ii. Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include derivatives, financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

### **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.

### **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful debts.

### **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.



# **EMAMI INFRASTRUCTURE LIMITED**

## **Notes to Financial Statements**

### **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.

### **De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

### **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.

### **1.3.20 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 INFRASTRUCTURE LIMITED

### Notes to Financial Statements

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

(₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	As on 01.04.2017	Additions	Deductions/ Adjustments	As on 31.03.2018	As on 01.04.2017	During the Year	Deductions/ Adjustments	Upto 31.03.2018	As on 31.03.2017	As on 31.03.2018
Land	5.46	-	-	5.46	-	-	-	-	5.46	5.46
Plant & Machinery	0.70	-	-	0.70	0.50	0.04	-	0.54	0.20	0.16
Furniture & Fittings	102.57	2.50	-	105.07	65.98	10.38	-	76.36	36.59	28.71
Vehicles	81.79	41.94	24.10	99.63	55.18	10.16	21.43	43.91	26.61	55.72
Office Equipments	8.35	8.78	1.48	15.63	7.03	1.31	1.33	7.04	1.32	8.60
Electrical Accessories	50.11	3.11	-	53.22	39.28	3.45	-	42.73	10.85	10.50
Computer Peripheral	30.12	8.81	1.10	37.83	28.15	3.77	0.72	31.20	6.63	6.63
<b>Total</b>	<b>279.10</b>	<b>65.14</b>	<b>26.68</b>	<b>317.56</b>	<b>196.12</b>	<b>29.14</b>	<b>23.48</b>	<b>201.78</b>	<b>115.78</b>	<b>82.98</b>

(₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	As on 01.04.2017	Additions	Deductions/ Adjustments	As on 31.03.2018	As on 01.04.2017	During the Year	Deductions/ Adjustments	Upto 31.03.2018	As on 31.03.2017	As on 31.03.2018
Plots	-	3,567.66	-	3,567.66	-	-	-	-	-	3,567.66
Capital Work-in-Progress	4,575.44	1,154.28	(3,567.66)	2,162.06	-	-	-	-	-	2,162.06
<b>Total</b>	<b>4,575.44</b>	<b>4,721.94</b>	<b>(3,567.66)</b>	<b>5,729.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,729.72</b>

(₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	As on 01.04.2017	Additions	Deductions/A Adjustments	As on 31.03.2018	As on 01.04.2017	During the Year	Deductions/ Adjustments	Upto 31.03.2018	As on 31.03.2017	As on 31.03.2018
Software	49.40	46.35	-	95.75	21.87	13.74	-	35.61	27.52	60.14
<b>Total</b>	<b>49.40</b>	<b>46.35</b>	<b>-</b>	<b>95.75</b>	<b>21.87</b>	<b>13.74</b>	<b>-</b>	<b>35.61</b>	<b>27.52</b>	<b>60.14</b>

(₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation			Net Block			
	As on 01.04.2017	Additions	Deductions/A Adjustments	As on 31.03.2018	As on 01.04.2017	During the Year	Deductions/ Adjustments	Upto 31.03.2018	As on 31.03.2017	As on 31.03.2018
Software	33.98	-	33.98	-	-	-	-	-	-	33.98
<b>Total</b>	<b>33.98</b>	<b>-</b>	<b>33.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.98</b>





## EMAMI INFRASTRUCTURE LIMITED

Notes to Financial Statements

e) Property, Plant & Equipment (Previous Year) (₹ in Lakhs)

Particulars	Gross Block			Depreciation / Amortisation		Net Block	
	As on 01.04.2016 *	Additions	Deductions/ Adjustments	As on 01.04.2016	During the Year	Upto 31.03.2017	As on 31.03.2017
Land	5.46	-	-	-	-	-	5.46
Plant & Machinery	0.70	-	-	0.45	0.05	0.50	0.24
Furniture & Fixings	102.36	0.21	-	52.80	13.38	65.98	49.57
Vehicles	81.79	-	-	42.74	12.44	55.18	39.05
Office Equipments	7.70	0.65	-	6.11	0.92	7.03	1.59
Electrical Accessories	49.72	0.38	-	34.59	4.69	39.28	15.13
Computer Peripheral	28.29	1.84	-	25.83	2.32	28.15	1.97
<b>Total</b>	<b>276.02</b>	<b>3.08</b>	<b>-</b>	<b>162.52</b>	<b>33.60</b>	<b>196.12</b>	<b>82.98</b>

f) Investment Property (Previous Year) (₹ in Lakhs)

Particulars	Gross Block			Depreciation & Amortisation		Net Block	
	As on 01.04.2016 *	Additions	Deductions/ Adjustments	As on 01.04.2016	During the Year	Upto 31.03.2017	As on 31.03.2017
Capital Work-in-Progress	4,073.31	502.14	-	-	-	-	4,575.45
<b>Total</b>	<b>4,073.31</b>	<b>502.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,575.45</b>

g) Intangible Assets (Previous Year) (₹ in Lakhs)

Particulars	Gross Block			Amortisation		Net Block	
	As on 01.04.2016 *	Additions	Deductions/ Adjustments	As on 01.04.2016	During the Year	Upto 31.03.2017	As on 31.03.2017
Software	35.64	13.75	-	20.37	1.51	21.88	15.28
<b>Total</b>	<b>35.64</b>	<b>13.75</b>	<b>-</b>	<b>20.37</b>	<b>1.51</b>	<b>21.88</b>	<b>15.28</b>

h) Intangible Assets under Development (Previous Year) (₹ in Lakhs)

Particulars	Gross Block			Amortisation		Net Block	
	As on 01.04.2016 *	Additions	Deductions/ Adjustments	As on 01.04.2016	During the Year	Upto 31.03.2017	As on 31.03.2017
Software	-	33.98	-	-	-	-	33.98
<b>Total</b>	<b>-</b>	<b>33.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.98</b>

\* As on date of transition to Ind AS, i.e. April 01, 2016, the Company has used IGAAP carrying value as deemed costs.



**EMAMI INFRASTRUCTURE LIMITED***Notes to Financial Statements*

	As at 31st March 2018 (₹ in Lakhs)	As at 31st March 2017 (₹ in Lakhs)	As at 1st April 2016 (₹ in Lakhs)
<b>3 Investments (Non - Current)</b>			
<b>I. Investments in Equity Instruments</b>			
<b>a. In Associates (Carried at cost)</b>			
<b>Quoted fully paid up</b>			
Zandu Realty Limited	6,012.91	6,012.91	6,012.91
2,86,329 Equity Shares of ₹100/- each	6,012.91	-	-
Less: Cancelled on Amalgamation	-	6,012.91	6,012.91
<b>Unquoted fully paid up</b>			
Roseview Developers Private Limited	0.50	0.50	0.50
5,000 Equity Shares of ₹10/- each	0.50	0.50	0.50
Prajay Urban Private Limited	6.00	6.00	6.00
5,000 Equity Shares of ₹10/- each	6.00	6.00	6.00
Bengal Emami Housing Limited	69.00	69.00	69.00
60,000 Equity Shares of ₹10/- each	69.00	69.00	69.00
Swanhousing & Infra Private Limited	76.00	6,088.91	6,088.91
6,90,000 Equity Shares of ₹10/- each	76.00	6,088.91	6,088.91
<b>b. Other Investments (Carried at fair value through Other Comprehensive Income)</b>			
<b>I. Unquoted fully paid up</b>			
The North Kanara G.S.B. Co-Operative Bank Limited	0.50	-	-
5,000 Equity Shares of ₹10/- each	0.50	-	-
The Saraswat Co-op. Bank Limited	41.68	-	-
1,000 Equity Shares of ₹10/- each	41.68	-	-
Natural Synergies Limited	650.00	-	-
4,16,750 Equity Shares of ₹10/- each	650.00	-	-
Emami Agrotech Limited	692.28	-	-
10,00,000 Equity Shares of ₹10/- each	692.28	-	-
Less: Provision for Diminution in value of Investments	41.68	-	-
	650.60	-	-
<b>II. Investments in Preference Shares (Carried at amortised cost)</b>			
<b>Unquoted fully paid up</b>			
Emami Paper Mills Limited *	5,440.23	628.66	576.26
14,55,000 (1,75,000) 8% Cumulative Redeemable Non-convertible Preference Shares of ₹100/- each	5,440.23	628.66	576.26
<b>III. Investments in Bonds</b>			
<b>Unquoted fully paid up</b>			
Orbit Realty Infrastructure Limited	-	402.00	402.00
Nil (4,00,000) Zero Coupon Optionally Fully Convertible Bond of ₹100/- each	-	402.00	402.00
<b>IV. Investments in Debentures - Unquoted fully paid up (Carried at amortised cost)</b>			
Vijaybhan Investments and Consultancy Private Limited	-	-	4,307.60
Nil (4,30,760) 9% Redeemable Non Convertible Debentures of ₹1,000/- each	-	-	4,307.60
Vijaybhan Investments and Consultancy Private Limited*	6,716.00	-	-
6,716 6.75% Redeemable Non Convertible Debentures of ₹1,00,000/- each	6,716.00	-	-
Emami Estates Private Limited **	2,080.78	-	-
25 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	2,080.78	-	-
Emami Home Private Limited **	2,477.44	-	-
30 Optionally Fully Convertible Debentures of ₹1,00,00,000/- each	2,477.44	-	-
	11,274.22	-	4,307.60



**EMAMI INFRASTRUCTURE LIMITED**Notes to Financial Statements

	As at 31st March 2018 (₹ in Lakhs)	As at 31st March 2017 (₹ in Lakhs)	As at 1st April 2016 (₹ in Lakhs)
<b>V. Investments in Limited Liability Partnership (Refer Note No. 47)</b>			
Capital Contribution to:			
Lohitka Properties LLP	0.40	0.40	0.40
Supervalue Nirman LLP	0.01	0.01	0.01
	<u>0.41</u>	<u>0.41</u>	<u>0.41</u>
	<u>17,441.46</u>	<u>7,119.98</u>	<u>11,375.18</u>

\* 14,55,000 Preference Shares are redeemable at a premium of ₹50/- 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 period.

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

\*\* 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 period.

	As at 31st March 2018 (₹ in Lakhs)	As at 31st March 2017 (₹ in Lakhs)	As at 1st April 2016 (₹ in Lakhs)
<b>4 Loans (Non-Current)</b>			
(Secured)			
Security Deposits	52.70	17.87	17.08
Deposits under Joint Development Agreements	31,574.00	31,400.00	12,510.00
	<u>31,626.70</u>	<u>31,417.87</u>	<u>12,527.08</u>
<b>5 Other Financial Assets (Non-Current)</b>			
Advances to Others	586.00	586.00	586.00
Bank deposits with maturity of more than 12 months*	300.00	355.60	475.11
	<u>886.00</u>	<u>941.60</u>	<u>1,061.11</u>
* Pledged with banks as security against term loans			
<b>6 Other Non-Current Assets</b>			
Advances to Others	11.20	11.20	11.20
Security Deposits	79.25	79.21	75.63
	<u>90.45</u>	<u>90.41</u>	<u>86.83</u>
<b>7 Deferred Tax Assets (Net)</b>			
Deferred tax asset arising on account of:			
Tax impact due to difference between tax depreciation and book depreciation	20.77	9.32	18.05
Remeasurements of the defined benefit plan through Profit & Loss	71.02	51.85	53.23
Investment carried at fair value through Profit & Loss	476.27	42.82	42.82
Remeasurements of the defined benefit plan through Other Comprehensive	-	3.03	3.81
	<u>568.06</u>	<u>107.02</u>	<u>117.91</u>
Deferred tax liability arising on account of:			
Tax impact of expenses charged off in financial statement but liability under tax law deferred	18.93	18.13	-
	<u>18.93</u>	<u>18.13</u>	<u>-</u>
	<u>549.13</u>	<u>88.89</u>	<u>117.91</u>
<b>8 Inventories (Carried at lower of Cost and Net Realisable Value)</b>			
<b>A. Work-in-Progress</b>			
Land	7,038.60	960.42	960.42
Work-in-Progress	1,02,822.79	77,227.87	56,437.31
	<u>1,09,861.39</u>	<u>78,188.29</u>	<u>57,397.73</u>
<b>B. Finished Goods</b>			
Finished Properties	991.72	-	-
	<u>991.72</u>	<u>-</u>	<u>-</u>
<b>C. Stock-in-Trade</b>			
	3.52	-	-
	<u>3.52</u>	<u>-</u>	<u>-</u>



**EMAMI INFRASTRUCTURE LIMITED***Notes to Financial Statements*

	As at 31st March 2018 (₹ in Lakhs)	As at 31st March 2017 (₹ in Lakhs)	As at 1st April 2016 (₹ in Lakhs)
<b>D (i). Equity Shares - Unquoted fully paid up In Subsidiaries</b>			
Sneha Ashiana Private Limited 90,000 Equity Shares of ₹10/- each	5.00	5.00	5.00
New Age Realty Private Limited 30,000 Equity Shares of ₹10/- each	3.00	3.00	3.00
Delta PV Private Limited 2,47,511 Equity Shares of ₹10/- each	1,178.62	1,178.62	1,178.62
	<b>1,186.62</b>	<b>1,186.62</b>	<b>1,186.62</b>
<b>D (ii). Debentures - Unquoted fully paid up</b>			
Prajay Urban Private Limited 24,480 Optionally Convertible Debentures of ₹10,000/- each	2,448.00	2,448.00	2,448.00
	<b>2,448.00</b>	<b>2,448.00</b>	<b>2,448.00</b>
	<b>1,14,491.25</b>	<b>81,822.91</b>	<b>61,032.35</b>
<b>9 Investments (Current)</b>			
Paintings	385.62	389.66	419.66
	<b>385.62</b>	<b>389.66</b>	<b>419.66</b>
<b>10 Trade Receivables</b> <i>(Unsecured, considered good)</i>			
Other Debt	-	-	50.16
	<b>-</b>	<b>-</b>	<b>50.16</b>
<b>11 Cash and Cash Equivalents</b>			
Balances with Banks	70.99	83.71	360.37
Cheques in hand	7.95	0.01	-
Cash in hand	17.72	18.33	3.46
Bank deposits with maturity of less than 3 months*	721.36	285.81	309.72
	<b>818.02</b>	<b>387.86</b>	<b>673.55</b>
* Pledged with banks as security against loans			
<b>12 Bank Balances other than above</b>			
Escrow Account/Fractional Share Sale Proceeds	-	0.25	0.25
Bank deposits with maturity of more than 3 months but less than 12 months*	325.51	936.37	760.55
	<b>325.51</b>	<b>936.62</b>	<b>760.80</b>
* Pledged with banks as security against loans			
<b>13 Loans (Current)</b> <i>(Unsecured, considered good)</i>			
Security Deposit	0.15	-	-
Loans to Related Parties (Refer Note No. 40)	80,775.14	65,866.21	59,103.33
Loans to Others	10,373.62	10,230.90	8,045.24
	<b>91,148.91</b>	<b>76,097.11</b>	<b>67,148.57</b>
<b>14 Other Financial Assets</b>			
Advances to Related Parties (Refer Note No. 40)	1,230.02	757.41	241.79
Interest Receivable on Debentures	876.61	233.25	549.57
	<b>2,106.63</b>	<b>990.66</b>	<b>791.36</b>
<b>15 Current Tax Assets (Net)</b>			
Advance Income Tax and Refunds Receivable (Net of Taxes)	1,577.58	848.49	1,146.64
	<b>1,577.58</b>	<b>848.49</b>	<b>1,146.64</b>
<b>16 Other Current Assets</b>			
Advances to Employees	14.94	11.40	3.71
Advances to Contractors/Suppliers	2,442.69	4,053.05	4,941.54
Advances to Land Owners	165.00	80.00	-
Advances to Others	30.73	157.41	74.03
Balances with Government Authorities	3,032.44	1,874.55	1,193.52
Prepaid Expenses	-	3.77	16.79
	<b>5,685.80</b>	<b>6,180.18</b>	<b>6,229.59</b>



	As at 31st March 2018 (₹ in Lakhs)	As at 31st March 2017 (₹ in Lakhs)	As at 1st April 2016 (₹ in Lakhs)
<b>17 Equity Share Capital</b>			
<b>Authorized Shares</b>			
3,52,50,000 Equity Shares of ₹2/- each	705.00	705.00	705.00
20,00,000 Equity Shares of ₹100/- each	2,000.00	-	-
	<u>2,705.00</u>	<u>705.00</u>	<u>705.00</u>
<b>Issued, subscribed &amp; fully paid-up shares</b>			
2,42,98,392 Equity Shares of ₹2/- each	485.97	485.97	485.97
Share Capital Suspense Account pursuant to Scheme of Amalgamation (Refer Note d below)	72.81	-	-
36,40,497 Equity Shares of ₹2/- each	558.76	485.97	485.97

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

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No of shares	(₹ in Lakhs)	No of shares	(₹ in Lakhs)	No of shares	(₹ in Lakhs)
Shares outstanding at the beginning of the period	2,42,98,392	485.97	2,42,98,392	485.97	2,42,98,392	485.97
Shares Outstanding at the end of the period	<u>2,42,98,392</u>	<u>485.97</u>	<u>2,42,98,392</u>	<u>485.97</u>	<u>2,42,98,392</u>	<u>485.97</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 2018		As at 31st March 2017		As at 1st April 2016	
	No of shares	% holding in the class	No of shares	% holding in the class	No of shares	% holding in the class
Diwaker Vinayog Private Limited	34,12,491	14.04%	34,12,491	14.04%	34,12,491	14.04%
Santack Commerce Private Limited	29,84,237	12.28%	29,84,237	12.28%	29,84,237	12.28%
Bharu Vyapaar Private Limited	27,78,899	11.44%	27,78,899	11.44%	27,78,899	11.44%
Raviraj Vinayog Private Limited	14,11,000	5.81%	14,11,000	5.81%	14,11,000	5.81%
Prabbakar Vinayog Private Limited	13,92,000	5.73%	13,92,000	5.73%	13,92,000	5.73%
Suraj Vinayog Private Limited	12,94,491	5.33%	12,94,491	5.33%	12,94,491	5.33%

**d. Share Capital Suspense**

Pursuant to the Scheme of Amalgamation as detailed in Note No. 44 the Company has issued and allotted 36,40,497 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. The record date fixed for the purpose is 25th May, 2018.

**18 Other Equity**

	As at 31st March 2018 (₹ in Lakhs)	As at 31st March 2017 (₹ in Lakhs)	As at 1st April 2016 (₹ in Lakhs)
<b>Capital Reserve</b>			
Opening Balance	2,342.49	2,342.49	2,342.49
Add: Transferred on Amalgamation	417.26	-	-
Closing Balance	<u>2,759.75</u>	<u>2,342.49</u>	<u>2,342.49</u>
<b>Revaluation Reserve</b>			
Opening Balance	-	-	-
Add: Transferred on Amalgamation	967.90	-	-
Closing Balance	<u>967.90</u>	<u>-</u>	<u>-</u>
<b>General Reserve</b>			
Opening Balance	-	-	-
Add: Transferred on Amalgamation	11,648.88	-	-
Closing Balance	<u>11,648.88</u>	<u>-</u>	<u>-</u>
<b>Retained Earnings</b>			
Opening Balance	(266.40)	(1,728.42)	(1,728.42)
Add: Transferred on amalgamation	6,325.46	-	-
Less: Ind AS Impact of Transferor Company	(758.59)	-	-
Less: Cancellation of investment on amalgamation	5,726.58	-	-
Add: Profit for the year	378.85	1,462.02	-
	<u>(47.26)</u>	<u>(266.40)</u>	<u>(1,728.42)</u>
<b>Other Comprehensive Income</b>			
Opening Balance	(5.72)	-	-
Add: For the year	6.38	(5.72)	-
	<u>0.66</u>	<u>(5.72)</u>	<u>-</u>
<b>Total Reserves and Surplus</b>	<u>15,359.93</u>	<u>2,070.87</u>	<u>614.07</u>





**EMAMI INFRASTRUCTURE LIMITED***Notes to Financial Statements*

	As at 31st March 2018 (₹ in Lakhs)	As at 31st March 2017 (₹ in Lakhs)	As at 1st April 2016 (₹ in Lakhs)
<b>19 Borrowings (Non-Current)</b>			
<b>Secured</b>			
Term Loans from Banks (Refer Note No. 41[A])	33,044.10	39,049.89	25,763.26
Term Loans from Non Banking Financial Companies (Refer Note No. 41[B])	17,654.89	9,712.00	4,963.69
	<b>50,698.99</b>	<b>49,561.89</b>	<b>30,726.95</b>
<b>Unsecured</b>			
Redeemable Non Convertible Debentures (Refer Note No. 42[A])	24,900.65	28,472.66	29,935.49
Term Loans from Non Banking Financial Companies (Refer Note No. 42[B])	20,565.17	15,039.41	7,300.00
	<b>45,555.82</b>	<b>43,512.07</b>	<b>37,235.49</b>
	<b>96,254.81</b>	<b>93,073.96</b>	<b>67,962.44</b>
<b>20 Provisions (Non-Current)</b>			
Provision for Employee Benefits (Refer Note No. 36)			
Gratuity	111.02	101.98	73.90
Leave Encashment	79.84	46.12	79.10
	<b>190.86</b>	<b>148.10</b>	<b>153.00</b>
<b>21 Borrowings (Current)</b>			
<b>Secured</b>			
Overdraft from Banks *	17,426.12	2,430.83	331.10
	<b>17,426.12</b>	<b>2,430.83</b>	<b>331.10</b>
<b>Unsecured</b>			
Redeemable Non Convertible Debentures (Refer Note No. 43[A])	-	-	10,000.00
Term Loans from Non Banking Financial Companies (Refer Note No. 43[B])	9,500.00	-	9,999.55
Loans from Other Bodies Corporate **	29,498.23	22,536.84	86.28
	<b>38,998.23</b>	<b>22,536.84</b>	<b>20,086.33</b>
	<b>56,424.35</b>	<b>24,967.67</b>	<b>20,417.43</b>
* (i) ₹2,956.37 Lakhs secured by the securities as mentioned in Note No. 41[A](a), 41[A](d) & 41[A](e) under the heading "Term Loan from Banks" as this facility is a sub-limit thereof.			
(ii) ₹13,523.12 Lakhs secured by pledge of third party's fixed deposits			
(iii) ₹946.63 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.			
**includes ₹20,760.56 Lakhs from Related parties, Repayable on demand			
<b>22 Trade Payables</b>			
Micro, Small and Medium Enterprises	3.06	8.01	13.91
Others	1,135.38	1,878.08	2,243.69
	<b>1,138.44</b>	<b>1,886.12</b>	<b>2,257.60</b>
<b>23 Other Financial Liabilities</b>			
Current Maturities of Long Term Debts (Refer Note No. 41[A], 41[B], 42[A] & 42[B])	47,621.33	35,202.33	28,573.33
Interest accrued but not due on borrowings	3,250.13	6,954.01	6,258.93
Advances from Related Parties (Refer Note No. 40)	12.30	717.08	371.17
Advances from Others	2,113.19	1,588.04	4.33
Cheques Overdrawn	2.63	-	-
Deposits Received	2.00	-	-
Liabilities for Expenses	8.64	8.19	7.26
Employee Benefits Payables	6.40	4.03	15.64
Retention Money	571.88	314.45	344.03
Unclaimed Fractional Share Sale Proceeds	-	0.25	0.25
	<b>53,548.70</b>	<b>44,788.78</b>	<b>35,574.94</b>
<b>24 Other Current Liabilities</b>			
Advances from Customers	49,153.30	44,025.47	39,437.83
Fluctuating Capital Account with LLP	46.41	38.19	349.12
Duties & Taxes Payables	348.57	537.05	358.67
	<b>49,548.28</b>	<b>44,600.71</b>	<b>40,145.62</b>
<b>25 Provisions (Current)</b>			
Provision for Employee Benefits (Refer Note No. 36)			
Gratuity	8.40	2.90	3.62
Leave Encashment	5.95	7.58	8.19
	<b>14.35</b>	<b>10.48</b>	<b>11.81</b>



**EMAMI INFRASTRUCTURE LIMITED****Notes to Financial Statements**

	Year ended 31st March, 2018 (₹ in Lakhs)	Year ended 31st March, 2017 (₹ in Lakhs)
<b>26 Revenue from Operations</b>		
Operating Income		
Sale of Trade Goods	23.04	-
	<u>23.04</u>	<u>-</u>
Other Operating Income		
Nomination Charges	53.24	26.55
Cancellation Charges	66.67	51.61
Legal Fees Received	3.78	15.30
	<u>123.69</u>	<u>93.46</u>
	<u>146.73</u>	<u>93.46</u>
<b>27 Other Income</b>		
Interest Income from		
Subsidiaries	205.18	783.87
Associates	236.56	418.42
LLP	5,534.80	4,363.75
Other Bodies Corporate	4,792.89	5,095.74
Debentures	453.33	259.16
Fixed Deposits	136.39	110.14
Income Tax Refund	200.79	14.18
Others	173.31	148.38
	<u>11,733.25</u>	<u>11,193.64</u>
Dividend Received	116.49	14.00
Profit on Sale of Non-Current Investment	23.00	-
Profit on Sale of Current Investment	0.10	-
Profit on Sale of Mutual Fund Units	0.84	14.14
Profit on Sale of Fixed Assets	1.06	-
Service Charges Received	4.98	182.95
Reversal of Share of Loss in LLP in Previous Year	-	334.02
Unpaid Liabilities and unclaimed balances written back	0.13	0.75
Miscellaneous Income	3.33	2.45
Income from Investment measured at amortised cost	-	52.40
	<u>149.93</u>	<u>600.71</u>
	<u>11,883.18</u>	<u>11,794.35</u>
<b>28 Purchases</b>		
Land	6,078.18	-
Trade Goods	23.35	-
	<u>6,101.53</u>	<u>-</u>



# EMAMI INFRASTRUCTURE LIMITED

## Notes to Financial Statements

	Year ended 31st March, 2018 (₹ in Lakhs)	Year ended 31st March, 2017 (₹ in Lakhs)
<b>29 Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress</b>		
<b>I. Opening Stock</b>		
Land	960.42	960.42
Work-in-Progress	77,227.87	56,437.31
Shares	1,186.62	1,186.62
Debentures	2,448.00	2,448.00
	<u>81,822.91</u>	<u>61,032.35</u>
Add : Finished Properties (Transferred on Amalgamation)	991.72	-
Less: GST input claimed for VAT & Excise Duty	558.95	-
	<u>82,255.68</u>	<u>61,032.35</u>
<b>II. Closing Stock</b>		
Land	7,038.60	960.42
Work-in-Progress	1,02,822.79	77,227.87
Finished Properties	991.72	-
Shares	1,186.62	1,186.62
Debentures	2,448.00	2,448.00
Stock-in- Trade	3.52	-
	<u>1,14,491.25</u>	<u>81,822.91</u>
<b>Changes in Inventories (I -II)</b>	<u>(32,235.57)</u>	<u>(20,790.56)</u>
<b>30 Employee Benefits Expense</b>		
Salaries, Gratuity & Allowances	1,416.98	1,478.40
Contribution to Provident and Other Funds	51.17	43.97
Staff Welfare Expenses	14.03	14.15
	<u>1,482.18</u>	<u>1,536.52</u>
<b>31 Finance Costs</b>		
Interest Expenses	20,567.45	15,818.66
Add: Other Borrowing Costs	1,378.02	794.98
	<u>21,945.47</u>	<u>16,613.64</u>
Less: Capitalised to Investment Property	573.34	502.14
	<u>21,372.13</u>	<u>16,111.50</u>
<b>32 Project Expenses</b>		
Materials Consumed	1,950.00	1,955.88
Payments to Contractors	10,846.98	9,369.11
Consultants Fees	579.32	684.78
Project Promotion & Expenses	383.32	309.94
Insurance	(5.79)	0.44
Repair & Maintenance	61.56	45.39
Rates & Taxes	73.00	314.16
Travelling & Conveyance	124.74	78.74
Other Operating Expenses	135.89	132.21
	<u>14,149.02</u>	<u>12,890.65</u>



**EMAMI INFRASTRUCTURE LIMITED****Notes to Financial Statements**

	Year ended 31st March, 2018 (₹ in Lakhs)	Year ended 31st March, 2017 (₹ in Lakhs)
<b>33 Other Expenses</b>		
Electricity Charges	2.62	0.31
Rent	48.29	33.93
Repairs & Maintenance	30.68	30.17
Rates & Taxes	87.98	3.03
Advertisement & Publicity	4.07	1.21
Custodial Fees	4.32	2.29
Listing Fees	13.02	4.44
Directors' Sitting Fees	9.19	4.68
Postage & Courier	13.69	3.68
Printing & Stationery	7.69	5.53
Royalty	10.00	13.44
Insurance	1.32	1.49
Brokerage	6.02	-
Corporate Social Responsibility	295.00	-
Travelling & Conveyance	25.30	21.70
Legal & Professional Fees	130.15	71.82
Share of Loss in LLP	8.22	23.09
Loss on Sale of Current Investments	-	18.00
Expenses from Investment measured at amortised cost	90.13	-
Miscellaneous Expenses	34.49	16.44
Auditors' Remuneration (Refer Note No. 35)	19.08	12.07
	<b>841.26</b>	<b>267.32</b>
<b>34 Earnings per Share (EPS)</b>		
Earnings per Share is calculated as follows:		
Profit after tax attributable to Equity Shareholders	378.85	1,462.02
Weighted average number of equity shares	2,79,38,889	2,42,98,392
Nominal value of Equity Share	2.00	2.00
Basic and Diluted Earnings per Share	<b>1.36</b>	<b>6.02</b>
<b>35 Auditors' Remuneration</b>		
Audit Fees	9.04	7.78
Tax Audit Fees	0.50	0.50
Limited Review	1.95	1.51
Other Matters	7.59	2.28
	<b>19.08</b>	<b>12.07</b>



26 As per actuarial valuations as on 31st March, 2018 and recognized in the financial statement in respect of Employee benefit schemes

(₹ in Lakhs)

Particulars	As at 31st March, 2018		As at 31st March, 2017	
	Gratuity	Leave	Gratuity	Leave
	Unfunded	Encashment Unfunded	Unfunded	Encashment Unfunded
<b>A. Expenses Recognised in the income statement</b>				
1. Current Service Cost	17.62	10.03	19.74	7.04
2. Interest Cost	8.07	4.05	6.84	5.29
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	(0.82)	(0.90)	2.92	1.66
- Experience variance (i.e. Actual expense vs assumptions)	(8.94)	21.77	5.82	(44.11)
- 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	-	-	-	-
<b>B. Total Expenses recognised in the Statement of Profit &amp; Loss</b>	<b>15.94</b>	<b>34.95</b>	<b>35.32</b>	<b>(30.12)</b>
<b>B. Assets and Liability</b>				
1. Present value of Obligation	119.54	85.79	104.88	51.69
2. Fair Value of Plan Assets	-	-	-	-
3. Funded Status [Surplus/(deficit)]	(119.54)	(85.79)	(104.88)	(53.69)
4. Effects of Assets Ceiling, if any	-	-	-	-
<b>5. Net asset/(liability) recognized in balance sheet</b>	<b>(119.54)</b>	<b>(85.79)</b>	<b>(104.88)</b>	<b>(53.69)</b>
<b>C. Change in Present Value of Obligations</b>				
1. Present value of Obligation as at beginning of period	104.99	93.69	77.52	87.29
2. Current Service Cost	17.62	10.03	19.74	7.04
3. Interest Expenses or Cost	8.07	4.05	6.84	5.29
Re-measurement (or Actuarial)(gain)/loss arising from:				
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	(0.82)	(0.90)	2.92	1.66
- Experience variance (i.e. Actual expense vs assumptions)	(8.94)	21.77	5.82	(44.11)
- Others	-	-	-	-
4. Past Service Cost	-	-	-	-
5. Effect of change in foreign exchange rates	-	-	-	-
6. Benefits Paid	(1.39)	(2.85)	(7.95)	(5.47)
7. Acquisition Adjustment	-	-	-	-
8. Effect of business combinations or disposals	-	-	-	-
<b>9. Present value of Obligation as at the end of period</b>	<b>119.54</b>	<b>85.79</b>	<b>104.88</b>	<b>51.69</b>
<b>D. Change in Fair Value of Plan Assets</b>				
1. Fair Value of Plan Assets at beginning of period	-	-	-	-
2. Investment Income	-	-	-	-
3. Employer's Contribution	1.39	2.85	7.95	3.47
4. Employee's Contribution	-	-	-	-
5. Benefits paid	(1.39)	(2.85)	(7.95)	(5.47)
6. Return on plan assets, excluding amount recognised in net interest expenses	-	-	-	-
7. Acquisition Adjustment	-	-	-	-
<b>8. Fair Value of Plan Assets at end of period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>E. Other Comprehensive Income</b>				
1. Actuarial (gain)/losses	-	-	-	-
- Change in demographic assumptions	-	-	-	-
- Change in financial assumptions	(0.82)	(0.90)	2.92	1.66
- Experience variance (i.e. Actual expense vs assumptions)	(8.94)	21.77	5.82	(44.11)
- 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	-	-	-	-
<b>4. Components of defined benefit costs recognised in other comprehensive income</b>	<b>(9.76)</b>	<b>20.87</b>	<b>8.74</b>	<b>(42.45)</b>
<b>F. Financial Assumptions</b>				
1. Discount Rate (%)	7.75%	7.75%	7.50%	7.50%
2. Salary Growth Rate (per annum)	6.00%	6.00%	6.00%	6.00%
<b>G. Demographic Assumptions</b>				
1. Mortality Rate (% of IAM 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%





**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, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
	Defined Benefit Obligation (Base)	119.43	104.88	85.79

(₹ in Lakhs)

Particulars	Gratuity			
	As at 31st March, 2018		As at 31st March, 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%) (% change compared to base due to sensitivity)	126.25	115.33	111.26	99.20
Salary Growth Rate (-/+1%) (% change compared to base due to sensitivity)	112.73	126.80	99.07	111.29
Attrition Rate (-/+50%) (% change compared to base due to sensitivity)	119.06	119.23	105.94	106.04

(₹ in Lakhs)

Particulars	Leave Encashment			
	As at 31st March, 2018		As at 31st March, 2017	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%) (% change compared to base due to sensitivity)	89.57	82.36	57.33	50.47
Salary Growth Rate (-/+1%) (% change compared to base due to sensitivity)	81.95	89.96	50.40	57.33
Attrition Rate (-/+50%) (% change compared to base due to sensitivity)	85.43	86.12	53.21	54.28

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.

**Effect of Plan on Entity's Future Cash Flows**
**a) Funding arrangements and Funding Policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets as a result of such valuation is for Leave, the Scheme is partly managed on fund basis.

**b) Expected Contribution during the next annual reporting period**

(₹ in Lakhs)

Particulars	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
The Company's best estimate of Contribution during the next year	35.62	31.07	20.88	20.64

**c) Maturity Profile of Defined Benefit Obligation**

Particulars	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
Weighted average duration (based on discounted cashflows)	4.87	5.02	2.50	3.30

(₹ in Lakhs)

Expected cash flows over the next (valued on undiscounted basis)	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
1 Years	4.86	18.84	3.20	6.85
2 to 5 Years	391.70	51.65	67.31	25.51
6 to 10 Years	349.70	34.39	4.94	21.32



**37 Carrying value and fair value of financial instruments is as follows:**

(₹ in Lakhs)

Particulars	As at 31st March, 2018			As at 31st March, 2017			As at 31st April, 2016		
	FVTPL	Amortized Cost	Total	FVTPL	Amortized Cost	Total	FVTPL	Amortized Cost	Total
<b>Financial Assets</b>									
<b>Non-Current</b>									
Investment in equity instruments		736.60	736.60		6,088.91	6,088.91		6,088.91	6,088.91
Investment in Preference Shares	5,440.23	-	5,440.23	628.66	-	628.66	576.26	-	576.26
Investment in Bonds		-	-		402.00	402.00		402.00	402.00
Investment in Debentures	11,008.89	-	11,008.89	-	-	-	4,307.60	-	4,307.60
Investment in LLPs		0.41	0.41		0.41	0.41		0.41	0.41
Loans		31,205.95	31,205.95		31,697.08	31,697.08		12,667.71	12,667.71
Other Financial Assets - Current		896.00	896.00		947.60	947.60		1,061.11	1,061.11
<b>Investments</b>		305.62	305.62		399.66	399.66		429.66	429.66
Trade Receivables		-	-		-	-		98.16	98.16
Cash and Cash Equivalents		96.92	96.92		387.89	387.89		673.55	673.55
Other Bank Balances		756.28	756.28		916.62	916.62		768.80	768.80
Loans		91,148.92	91,148.92		76,097.11	76,097.11		67,148.57	67,148.57
Other Financial Assets		2,101.16	2,101.16		990.66	990.66		791.35	791.35
<b>Total</b>	<b>16,449.13</b>	<b>1,28,097.84</b>	<b>1,44,546.96</b>	<b>628.66</b>	<b>1,17,730.91</b>	<b>1,18,359.57</b>	<b>4,683.86</b>	<b>89,995.28</b>	<b>94,679.10</b>
<b>Financial Liabilities</b>									
<b>Non-Current</b>									
Borrowings		96,254.81	96,254.81		89,075.95	89,075.95		67,967.44	67,967.44
<b>Current</b>									
Borrowings		36,135.18	36,135.18		24,967.67	24,967.67		20,417.43	20,417.43
Trade Payables		1,157.73	1,157.73		1,886.12	1,886.12		2,257.60	2,257.60
Other Financial Liabilities		33,786.79	33,786.79		44,788.78	44,788.78		35,074.94	35,074.94
<b>Total</b>	<b>-</b>	<b>1,67,325.51</b>	<b>1,67,325.51</b>	<b>-</b>	<b>1,60,718.52</b>	<b>1,60,718.52</b>	<b>-</b>	<b>1,26,717.41</b>	<b>1,26,717.41</b>

**38 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., at price) 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 2018**

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment at FVTPL				
In preference shares		5,440.23		5,440.23
In debentures		11,008.89		11,008.89

**Financial assets measured at fair value at 31st March 2017**

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment at FVTPL				
In preference shares		628.66		628.66
In debentures		-		-

**Financial assets measured at fair value at 31st April 2016**

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investment at FVTPL				
In preference shares		576.26		576.26
In debentures		4,307.60		4,307.60

**b) Financial instruments at amortized cost**

The carrying amount of financial assets and financial liabilities measured at amortized 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.

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

**39 Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise of borrowings, trade and other payables. The main purpose of these classes of liabilities is to finance the Company's operations. The Company's principal financial assets includes loans, trade and other receivables and cash &amp; 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 risk activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized 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 majorly from trade receivables/unbilled revenue 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 these financial assets.

With respect to trade receivables/unbilled revenue, the Company has constituted teams to review the receivables on periodic basis and take necessary mitigations whenever required. The Company assesses allowance for all unsecured receivables based on lifetime expected credit loss.

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, 2016	-	-
Allowance for Expected Credit Loss	-	-
As on March 31, 2017	-	-
Allowance for Expected Credit Loss	-	-
As on March 31, 2018	-	-

**B. Liquidity Risk**

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The breakup of cash and cash equivalents, deposits and investments is as below:

(₹ in Lakhs)

Particulars	31st March 2018	31st March 2017
Cash and Cash equivalents	818.07	807.86
Bank balance other than cash and cash equivalents	225.71	496.62
Investments	17,637.68	2,569.64

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	March 31, 2018	March 31, 2017	March 31, 2016
<b>Financial Liabilities - Current</b>				
Borrowings	within 1 year	56,628.34	24,967.62	20,417.43
Trade Payable	within 1 year	1,178.44	1,886.12	2,257.60
Other Financial Liabilities	within 1 year	55,348.70	44,788.78	35,374.94
<b>Financial Liabilities - Non-Current</b>				
Borrowings	between 1-5 year	96,254.81	95,073.95	67,962.44

**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 raised at variable rates expose the Company to interest rate risk.

(₹ in Lakhs)

Particulars	31st March 2018	31st March 2017	31st April 2016
Variable rate borrowing	1,17,715.20	86,803.63	66,799.83
Fixed rate borrowing	69,806.90	67,580.87	56,010.49
Total borrowings	1,87,522.10	1,54,384.50	1,22,810.32

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

The sensitivity analysis in the following sections related to the position as at March 31, 2018 and March 31, 2017. The sensitivity analysis has been prepared on the basis that the amount of net debt and ratio of fixed to floating interest rates of debt.

Interest rate risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in interest rates. The entity's exposure to the risk of changes in interest rates relates primarily to the entity's operating activities (when receivables or payables are subject to different interest rates) and the entity's receivables or payables.

The Company is affected by the price volatility of certain commodities/real estate. 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 variables, 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 financial assets and liabilities.

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Interest Sensitivity*</b>		
Interest Rate increase by 100 basis points	1,872	1,494
Interest Rate decrease by 100 basis points	(1,872)	(1,494)

\*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**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Price Sensitivity*</b>		
Price increase by 5% - FVOCI	-	-
Price decrease by 5% - FVOCI	-	-
Price increase by 5% - FVTPL	-	-
Price decrease by 5% - FVTPL	-	-

\*Holding all other variables constant



**40 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
2. New Age Realty Private Limited
3. Delta JV Private Limited

**ii. Associates :**

1. Roseview Developers Private Limited
2. Prajya Urban Private Limited
3. Bengal Emami Housing Limited
4. Swarhousing & Infra Private Limited

**iii. Limited Liability Partnerships :**

1. Lobitka Properties LLP
2. Supervalue Nirman LLP

**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. Girja Kumar Choudhary      | Whole-time Director & CFO                      |
| 3. Mr. Sanjay Choudhary           | Whole-time Director (Ceased w.e.f. 09.08.2017) |
| 4. Dr. Kalyanasundaram Ramamurthy | Whole-Time Director (Ceased w.e.f. 30.03.2018) |
| 5. Ms. Payel Jaiti                | Company Secretary                              |

**b) Other Directors:**

- |                              |  |
|------------------------------|--|
| 1. Mr. Abhijit Datta         | Non-Executive Chairman (Independent)   |
| 2. Mr. Hari Mohan Marda      | Independent Director                   |
| 3. Mr. Ram Gobind Ganeriwala | Independent Director                   |
| 4. Mrs. Kazabi Sengupta      | Independent Director                   |
| 5. Mr. Debasish Bhattacharya | Independent Director                   |
| 6. Mr. Basant Kumar Parakh   | Non-Executive Non-Independent Director |

**ii. Relatives of Key Managerial Personnel**

- |                             |                              |
|-----------------------------|------------------------------|
| 1. Mr. Yasbo Vardhan Bansal | Son of Mr. Rajesh Bansal     |
| 2. Mrs. Roshan Choudhary    | Wife of Mr. Sanjay Choudhary |

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

1. Dev Infra City Private Limited
2. Raj Indraproperties Private Limited

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

- |  |   |
|--|---|
| 1. Add Albatross Properties Private Limited  | 25. Oriental Sales Agencies (India) Private Limited |
| 2. AMRI Hospitals Limited                    | 26. Paradise Agriculture Private Limited            |
| 3. Aviro Vyapaar Private Limited             | 27. Prime Constructions Private Limited             |
| 4. Bharu Vyapaar Private Limited             | 28. Sanjeevani Vyapaar LLP                          |
| 5. Creative Cultivation Private Limited      | 29. Sneha Skyhigh Private Limited                   |
| 6. Diwakar Vinayog Private Limited           | 30. Suntrack Commerce Private Limited               |
| 7. Emami Agrotech Limited                    | 31. Sneha Abasan Private Limited                    |
| 8. Emami Beverages Limited                   | 32. Sneha Enclave Private Limited                   |
| 9. Emami Builders Private Limited            | 33. Sneha Gardens Private Limited                   |
| 10. Emami Capital Markets Limited            | 34. Sneha Niketan Private Limited                   |
| 11. Emami Constructions Private Limited      | 35. South City Projects (Kolkata) Limited           |
| 12. Emami Estates Private Limited            | 36. Anamika Kala Sangam Trust                       |
| 13. Emami Frankross Limited                  | 37. Auto Hitech Private Limited                     |
| 14. Emami Home Private Limited               | 38. Begonia Textiles Private Limited                |
| 15. Emami Limited                            | 39. Camellias Merchants Private Limited             |
| 16. Emami Paper Mills Limited                | 40. Eveningstar Trades Private Limited              |
| 17. Emami Projects Private Limited           | 41. Eveningstar Vinimay Private Limited             |
| 18. Emami Nirman Private Limited             | 42. Fiddle Engineering Private Limited              |
| 19. Emami Vriddhi Commercial Private Limited | 43. Genil Commoale Private Limited                  |
| 20. Fastgrow Crops Private Limited           | 44. Polpit Vincom Private Limited                   |
| 21. Jhansi Properties Private Limited        | 45. Soreshine Vinimay Private Limited               |
| 22. Magnificent Vyapaar LLP                  | 46. Swans Home Private Limited                      |
| 23. Midkot Trades Private Limited            | 47. Touchwin Tradecom Private Limited               |
| 24. New Way Constructions Limited            |   |



**EMAMI INFRASTRUCTURE LIMITED**

Notes to Financial Statements

(P in Lakhs)

of Transactions during the year with related parties:

Nature of Transactions	Subsidiaries		Associates		Limited Liability Partnerships		Key Management Personnel and Other Directors		Relatives of Key Managerial Personnel		Entities over which one Key Management Personnel has significant influence		Entities wherein the Company's promoters have significant influence		Total	
	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017	31-03-2018	31-03-2017
Loans Taken	-	-	9,692.50	-	-	-	-	-	-	-	-	-	67,662.69	34,085.00	67,662.69	64,093.00
Loans Repaid	-	-	9,088.08	-	-	-	-	-	-	-	-	-	67,999.29	16,681.40	67,999.29	25,769.89
Interest Paid	-	-	11.53	-	-	-	-	-	-	-	-	-	2,497.53	361.45	2,497.53	373.18
Loans Given	660.37	3,336.78	1,800.00	3,682.73	6,779.44	-	-	-	-	-	-	-	13,041.69	19,937.86	19,264.31	25,248.05
Realisation of Loan Given	-	3,068.33	1,543.32	311.23	1,38.27	-	-	-	-	-	-	-	7,854.32	19,032.66	9,860.91	22,870.08
Interest Received	443.29	1,319.96	418.68	394.08	130.91	-	-	-	-	-	3.43	-	3,018.81	3,498.19	4,071.96	3,355.64
Advances Received	-	-	-	-	-	-	-	-	-	-	290.00	-	-	-	290.00	-
Repayment of Advances Received	-	-	-	-	-	-	-	-	-	-	300.00	-	-	-	300.00	-
Advances Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	337.81
Repayment of Advances Given	-	-	-	-	-	-	-	-	-	-	228.05	-	368.76	-	-	337.81
Realisation of Advances Given	-	3,000.00	-	-	-	-	-	-	-	-	-	-	0.05	-	-	16.82
Security Deposit	65.87	43.07	-	-	-	-	-	-	-	-	3,330.72	-	-	-	3,330.72	8,093.22
Reimbursements	-	-	167.30	39.16	113.25	-	-	-	-	-	89.53	-	294.06	305.30	488.08	718.27
Sale of Investments	-	-	-	-	-	-	-	-	-	-	-	-	425.00	12.00	425.00	12.00
Service Charges Received	-	-	-	-	-	-	-	-	-	-	-	-	5.87	3.39	5.87	215.39
Dividend Received	-	-	287.00	-	-	-	-	-	-	-	-	-	116.40	14.00	116.40	14.00
Reversal of Share of Loss in LLP in Previous Year	-	-	-	334.02	-	-	-	-	-	-	-	-	-	-	-	334.02
Rent	-	-	-	-	-	-	-	-	-	-	-	-	42.50	38.79	42.50	38.79
Repair & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	24.78	47.08	24.78	47.08
Electricity Charges	-	-	-	-	-	-	-	-	-	-	-	-	0.44	0.33	0.44	0.33
Royalty	-	-	-	-	-	-	-	-	-	-	-	-	11.90	15.38	11.90	15.38
Professional Fees	-	-	-	-	-	-	-	-	21.65	-	-	-	-	-	21.65	-
Commission Paid	-	-	-	-	-	-	-	-	-	-	0.66	1.20	341.57	309.07	342.24	310.35
Commission Received	-	-	-	-	-	-	-	-	-	-	-	-	1.36	-	1.36	-
Purchase of Trade Goods	-	-	-	-	-	-	-	-	-	-	-	-	26.30	-	26.30	-
Share of Loss in LLP	-	-	-	-	-	8.22	23.99	-	-	-	-	-	-	-	-	8.22
Reimbursements Paid	-	-	-	-	-	-	-	312.75	159.19	10.64	-	-	-	-	323.39	461.27
Stamp Fees	-	-	-	-	-	-	-	9.18	4.66	-	-	-	-	-	9.18	4.66
General Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Staff Welfare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of AC	-	0.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of Debentures	-	-	-	-	-	-	-	-	-	-	-	-	250.00	-	250.00	-
Minor Cap Expenses	-	-	-	-	-	-	-	-	-	-	-	-	0.31	-	0.31	-
Corporate Guarantees taken	-	4,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31st March, 2018	3,795.68	3,110.81	4,338.36	3,541.29	31,864.18	27,892.66	-	-	-	-	-	-	26,066.91	19,420.26	65,620.33	33,765.02
Interest Receivable	198.10	441.79	229.46	824.08	15,107.41	7,106.07	-	-	-	-	-	-	3,723.22	4,146.64	16,227.19	12,101.39
Loans Taken	-	-	696.91	-	-	-	-	-	-	-	-	-	17,070.00	17,400.60	17,070.00	18,313.31
Interest Payable	-	-	-	123.99	-	-	-	-	-	-	-	-	3,690.56	1,283.87	3,690.56	1,407.47
Advances Given	-	-	12.58	12.50	-	-	-	-	-	-	-	-	246.87	373.90	643.50	757.43
Advances Taken	-	-	-	-	-	-	-	-	-	-	-	-	204.38	-	204.38	717.08
Fluctuating Capital Account with a LLP (Credit Balance)	-	-	-	-	46.41	38.19	-	-	-	-	-	-	-	-	46.41	38.19
Security Deposit	3,460.00	3,060.00	-	-	-	-	-	-	-	-	2,550.00	2,550.00	13,325.43	13,572.43	20,365.45	20,633.45
Investments	1,186.62	1,186.62	76.00	6,088.93	0.41	0.41	-	-	-	-	0	-	700.00	-	78.41	3,286.32
Payable	-	-	-	-	-	-	-	-	-	-	0.82	1.22	342.88	287.93	343.70	299.13
Corporate Guarantees taken	-	-	-	-	-	3,280.00	-	-	-	-	-	-	-	-	3,280.00	-
Corporate Guarantees taken	-	4,000.00	-	-	-	-	-	-	-	-	10,847.00	7,338.00	1,86,472.00	1,20,290.00	3,77,319.00	1,61,588.00





**EMAMI INFRASTRUCTURE LIMITED**Notes to Financial Statements**vi. Disclosure as per Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements)**

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 2018	31st March 2017	1st April 2016	31st March 2018	31st March 2017	1st April 2016
<b>Loans:</b>						
Sneha Ashiana Private Limited	342.40	101.15	693.29	342.40	3073.62	693.29
New Age Realty Private Limited	2,205.75	2,190.39	1,870.46	2205.75	2190.39	1870.46
Delta PV Private Limited	1,440.82	1,263.06	1,096.51	1440.82	1263.06	1096.51
Bengal Emami Housing Limited	3,225.44	3,745.98	3,168.29	3745.98	3745.98	3168.29



**EMAMI INFRASTRUCTURE LIMITED**

**Notes to Financial Statements**

41. Details of terms of repayment and nature of securities provided in respect of secured borrowings (as currently are as under:

(A) Term Loans from Banks	Bank	Nature of Security	Repayment terms	Interest Rate	As at	
					31st March 2018	31st March 2017
				10.00%	8,974.65	7,958.54
1. IBI Bank Limited	First charge on immovable property owned by the Company and four related parties at Khalia, Dikar Pratook, under the name of Project 'Emami Nature', as well as hypothecation over the inventory and receivables thereof. Further, the loan is secured by the corporate guarantee of related parties including the land owning companies and fixed deposits of 1500 Lakhs kept in lien with Bank.	Term Loan of 60,000 Lakhs is repayable in 12 sequential quarterly installments commencing from December 2017, out of this, 4 installments of 7227.50 Lakhs each, 2 installments of 8429 Lakhs each, 2 installments of 9850 Lakhs each and 4 installments of 11,370 Lakhs each.		15.47%	16,36,114	
2. IBI Bank Limited	Subsequent charge by way of hypothecation over receivables of Company's Project 'Emami City' and 'Emami Teppany' coupled with corporate guarantee and pledge of equity shares held by two related parties.	Term Loan of 116,500 Lakhs is repayable in 10 sequential quarterly installments commencing from December 2017 out of this, 5 installments of 8250 Lakhs each, 1 installment of 11,600 Lakhs each, 3 installments of 12,475 Lakhs each and 1 installment of 13,300 Lakhs each.		9.00%	3,501.67	
3. IBI Bank Limited	First charge on immovable property owned by India Ashiana Private Limited (wholly owned subsidiary of Colsonex, Tamil Nadu, under the name of Project 'Emami Arcology' as well as hypothecation over its inventory and receivables thereof. Further, the loan is secured by the Corporate Guarantee of a related party and the land owning company.	Term Loan of 64,000 Lakhs is repayable in 4 quarterly installments of 16,000 Lakhs each commencing from July 2017.		8.75%		
4. ICICI Bank Limited	First charge on immovable property owned by Add Abrahams Properties Private Limited at 34 Tigalar Village, Chengalpattu Taluk, Tamil Nadu under the name of Project 'Emami Teppany' and its receivables thereof. Further, the loan is secured by the corporate guarantee of Add Abrahams Properties Private Limited and Oriental Sales Agencies (India) Private Limited and fixed deposits of 2220 Lakhs kept in lien with Bank.	Term Loan of 112,500 Lakhs is repayable in 30 monthly installments of 4500 Lakhs each commencing from April, 2017. 415,000 Lakhs is repayable in 36 monthly installments of 4500 Lakhs each commencing from April, 2018.		11.25%	10,258.27	6,362.81
5. ICICI Bank Limited	First charge on immovable property owned by Oriental Sales Agencies (India) Private Limited at 2 Sangee Road, Kadapa - 700758 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 company's guarantee by the said related party, in the event of the value of above mortgaged land. Further, the loan is secured by the corporate guarantee of Oriental Sales Agencies (India) Private Limited as well as fixed deposits of 9500 Lakhs kept in lien with Bank.	Term Loan of 112,500 Lakhs is repayable in 24 monthly installments of 9520 Lakhs each commencing from March 2016. 10,000 Lakhs is repayable in 24 monthly installments of 4270 Lakhs each commencing from April, 2016. 170,000 Lakhs is repayable in 24 monthly installments of 6317 Lakhs each commencing from April, 2018.		10.25%	17,262.26	20,661.95
6. IBI Bank Limited	First charge on immovable property owned by the Company and four related parties at Kshilar, Ulthar Pratook, under the name of Project 'Emami Nature', as well as hypothecation over the inventory and receivables thereof. Further, the loan is secured by the corporate guarantee of related parties including land owning companies and fixed deposits of 1500 Lakhs kept in lien with Bank.	Repay in 6 May, 2018		10.00%		4,479.50
Total					51,429.10	32,003.28
Trend/Current Maturity of Long Term Debt disclosed under Other Financial Liabilities (Refer Note No. 21)					18,393.00	6,203.07
Total					69,822.10	38,206.25

₹ in Lakhs





**EMAMI INFRASTRUCTURE LIMITED**

Notes to Financial Statements

₹ in Lakhs

Financial Institutions	Nature of Security	Repayment terms	Interest Rate	As at	
				31st March 2018	31st March 2017
				4,663.18	Nil April 2016
i. Sanku Mahindra Prime Limited	<p>Proposed charge by mortgage of Plot/Land at Vardol, Mumbai owned by Lohitika Properties LLP and charge on Interest Service Reserve Account represented by Fixed deposits of ₹150.25 Lakhs kept in lieu. Further, the loan is later also secured by Corporate Guarantee of a related party and possession charge by way of hypothecation on all receivables and cash flows due from LLP</p> <p>Pledge of equity shares pledged with corporate guarantee of a related party.</p> <p>₹15,000 Lakhs is repayable in 2 tranches of ₹7,500 Lakhs each, in August, 2018 and August, 2019.</p>	Repayment in March 2022.	8.75%	2,482.17	2,500.00
ii. Sanku Mahindra Investments Limited	<p>Corporate Guarantee of a related party</p>	₹1,000 Lakhs is repayable in 2 tranches of ₹500 Lakhs each, in August, 2018 and August, 2018.	8.50%	960.35	986.11
iii. Axis Finance Limited	<p>First charge by way of mortgage of Land at Bhalu, Uttar Pradesh owned by a related party coupled with Corporate Guarantee of the land owning company and a related party</p>	Equal repayment at the end of 2 years from the date of disbursement i.e. 26th September 2017.	9.45%	2,000.00	-
iv. Banking Development Finance Corporation Limited	<p>First charge by way of mortgage of land at Bhalu, Uttar Pradesh owned by five related parties coupled with Corporate Guarantee of a related party for ₹90,000 lakhs</p>	₹90,000 Lakhs is repayable in 8 equal quarterly instalments of ₹1,1250 Lakhs each, commencing from March, 2018.	10.20%	8,678.36	9,278.09
v. City Capital Services Private Limited	<p>Particular charge by mortgage of Plot/Land at Vardol, Mumbai owned by Lohitika Properties LLP and charge on Interest Service Reserve Account represented by Fixed deposits of ₹257.25 Lakhs kept in lieu. Further, the loan is later also secured by Corporate Guarantee of a related party and possession charge by way of hypothecation on all receivables and cash flows due from LLP</p>	₹2000 Lakhs is repayable in 36 monthly instalments of ₹138.88 Lakhs each, commencing from February, 2020.	10.50%	1,786.30	-
vi. Sanku Mahindra Prime Limited	Pledge of equity shares by a related party	Repaid in May, 2016	10.75%	-	2,300.00
vii. Tata Capital Finance Services Limited	Pledge of equity shares by a related party	Repaid in July, 2016	10.25%	-	3,000.00
		Repaid in September, 2016	10.25%	27,863.17	16,260.41
				2,500.00	9,000.00
				20,863.17	15,000.41
			Total		7,300.00



# EMAMI INFRASTRUCTURE LIMITED

Notes to Financial Statements

43 Details of terms of repayment and securities provided in respect of unsecured borrowings (amounts are as under)

(A) Redeemable Non-Convertible Debentures

Non-Convertible Debentures	Nature of Security	Repayment terms	As at	
			31st March 2018	31st March 2017
1. 1000 Non-Convertible Redeemable Debentures of Rs.100,00,000/- each		Redeemed in July, 2015		
				10,00,000
				10,00,000

(₹ in Lakhs)

(B) Term Loans from Non-Banking Financial Companies

Financial Institutions	Nature of Security	Repayment terms	As at	
			31st March 2018	31st March 2017
1. Axis Finance Limited	Pledge of equity shares coupled with corporate guarantee by related party	₹4,500 Lakhs to be repaid in 2 tranches of ₹2,250 Lakhs each, in September, 2018 and December, 2018.	4,500.00	-
2. Bajaj Finance Limited	Pledge of equity shares coupled with corporate guarantee by related party	₹5,00,00,000 to be repaid at the end of 12th month from the date of disbursement i.e. 2nd November 2017	5,00,00,000	-
3. Bajaj Finance Limited	Pledge of equity shares coupled with corporate guarantee by related party	₹1,99,15,000 to be repaid in June, 2018	-	1,99,15,000
4. SFC Finance Limited	Pledge of equity shares coupled with corporate guarantee by related party	₹4,00,00,000 to be repaid in August, 2018	-	4,00,00,000
5. Axis Finance Limited	Mortgage over Term Loan secured by certain related parties.	₹1,00,00,000 to be repaid in September, 2018	-	1,00,00,000
				6,99,15,000

(₹ in Lakhs)





## **EMAMI INFRASTRUCTURE LIMITED**

### **Notes to Financial Statements**

#### **44 Amalgamation of Zandu Realty Limited with Emami Infrastructure Limited**

a) Pursuant to the Scheme of Arrangement for Amalgamation (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 4th May, 2018, Zandu Realty Limited ("ZRL") engaged in the business of real estate, have been amalgamated with the Company with effect from 1st April 2017 (the "Appointed Date") and pursuant thereto, the entire business and all assets and liabilities of ZRL has been transferred to and vested in the Company on a going concern basis. The Scheme became effective on 11th May 2018 (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.

b) As this is a common control transaction, the amalgamation has been accounted using the 'pooling of interest' method and figures for the previous period have been recast as if the amalgamation 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 erstwhile ZRL as on the Appointed Date have been merged with the Company at their carrying values with identity of the reserves being maintained same as in the books of the transferor company.

c) Pursuant to the Scheme coming into effect:

- i) 2,86,329 equity shares of ₹100/- each held by the Company in ZRL stand cancelled;
- ii) 36,40,497 equity shares of the Company will be issued to the public shareholders of ZRL, in the ratio of 7 equity shares of ₹2/- each of the Company for every 1 equity share of ₹100/- each held by such shareholder in ZRL;

The net impact of the amalgamation on assets, liabilities and reserves as on the Appointed Date is given below:

( ₹ in Lakhs)	
Particulars	April 1,
Current Assets other than Cash & cash equivalents	2,689.48
Cash & cash equivalents	6.42
Non- Current assets	18,236.96
<b>Total Assets</b>	<b>20,932.86</b>
Current Liabilities	1,178.90
Non-Current Liabilities	5.32
<b>Total Liabilities</b>	<b>1,184.22</b>
<b>Net Assets</b>	<b>19,748.64</b>
Less: Cancellation as stated above	286.33
Less: Capital Issued as consideration	72.81
Less: Revaluation Reserve	967.90
Less: General Reserve	11,648.88
Less: Surplus in Statement of Profit & Loss	6,325.46
<b>Capital Reserve</b>	<b>447.26</b>

Note: In accordance with the Scheme, the difference of ₹5726.58 Lakhs between the carrying value of investment in ZRL in the books of the Company and the aggregate face value of shares of ZRL has been adjusted under the retained earnings shown under Other Equity.



**EMAMI INFRASTRUCTURE LIMITED****Notes to Financial Statements****45 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 2018	31st March 2017	1st April 2016
Borrowings ( Non-Current and current including current maturities of non-current borrowings)	2,03,330.61	1,66,197.97	1,27,212.13
Trade Payables	1,138.44	1,886.12	2,257.80
Other Financial Liabilities	2,677.23	2,672.64	742.68
Less: Cash and Cash equivalents (including other bank balances)	1,143.23	1,324.88	1,474.35
<b>Net Debt (A)</b>	<b>2,06,222.75</b>	<b>1,69,392.05</b>	<b>1,24,778.06</b>
Equity Share Capital	558.78	485.97	485.97
Other Equity	15,359.94	2,079.38	614.05
<b>Equity (B)</b>	<b>15,918.72</b>	<b>2,565.35</b>	<b>1,100.02</b>
<b>Equity plus Net Debt (C=A+B)</b>	<b>2,22,141.47</b>	<b>1,65,948.40</b>	<b>1,25,878.11</b>
<b>Gearing Ratio (D=A/C)</b>	<b>92.87%</b>	<b>98.46%</b>	<b>99.13%</b>

**46 Information regarding Investment Property**

(₹ in Lakhs)

Particulars	2017-18	2016-17
Fair Value of opening balance of Investment property	4,373.44	4,073.31
Fair Value of closing balance of Investment property	3,729.23	3,573.44

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.

**47 Investment in Limited Liability Partnerships**

Name	Profit Sharing Ratio		Total Capital (₹ in Lakhs)	
	2017-18	2016-17	2017-18	2016-17
i. Lubitha Properties LLP	10%	10%	0.40	0.40
ii. Supervalve Nirman LLP	1%	1%	0.01	0.01

**48 (i) Current Non-Trade Investments Purchased and sold during the year**

Particulars	2017-18		2016-17	
	Purchased	Sold	Purchased	Sold
	Nos. of Units	Nos. of Units	Nos. of Units	Nos. of Units
Birla Sun Life Cash Plus - Growth Direct Plan	-	-	3,27,777.296	3,27,777.296
Kotak Finance Short Term - Direct Plan - Growth	21,935.031	21,935.031	10,17,855.063	10,17,855.061

**(ii) Current Non-Trade Investments Purchased and sold during the year**

(₹ in Lakhs)

Particulars	2017-18	2016-17
<b>Painting</b>		
Opening Balance	389.66	419.66
Add: Purchase	-	-
Less: Sale	4.04	30.00
Less: Transferred to Fixed Assets	-	-
<b>Closing Balance</b>	<b>385.62</b>	<b>389.66</b>

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

(₹ in Lakhs)

Particulars	2017-18	2016-17
Employee Training Expenses	28.51	33.86
Design/Consultancy Services	-	-
Others	27.91	-
<b>Total</b>	<b>56.42</b>	<b>33.86</b>

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

(₹ in Lakhs)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>a) Claims against the Company not acknowledged as debt (Net of Advance)</b>			
i. Income Tax	-	187.29	187.29
<b>b) Guarantee and counter guarantee given</b>			
Corporate Guarantee	-	3,290.00	4,700.00
Bank Guarantee	48.51	5.00	38.20
<b>ii. Commitments</b>			
Major Contract Commitment outstanding for land purchase	725.00	410.00	-



**EMAMI INFRASTRUCTURE LIMITED***Notes to Financial Statements*

- 51 The Company has entered into Joint Development Agreements for development of Projects at Bhubaneswar, Chennai, Coimbatore and Kolkata.
- 52 The Company has initiated criminal proceedings against M/s Karthikeya Ancillaries Private Limited (the landlord) & its directors with whom the Company has entered into Area Assignment Agreement for purchase of 28,750 sqft area in the proposed Shopping Mall at Coimbatore. The book value of total investment in the project as on 31/03/2018 is ₹62.43 Lakhs (P.Y. ₹62.43 Lakhs). The said landlord has served Termination Notice and legal proceedings led to an appointment of Justice P K Balasubramanian, 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 incidentally confirming the possession of the subject land to the company, he has not allowed interest on monies paid to the landlord from the beginning. The Company has preferred an application u/s 34 of the Arbitration and Conciliation 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.

**53 Segment Reporting****A. General Information****Factors used to identify the entity's reportable segments, including the basis of organisation**

For management purposes, the Company has only one reportable segment, namely development of Real Estate property. The Board of Directors of the Company act as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments.

**B. Information about Geographical Areas**

The Company has only one geographical segment, namely within India.

- 54 There were no dues outstanding for more than 45 days to any Micro, Small and Medium Enterprises suppliers. The above information regarding Micro, Small and Medium Enterprise 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 2018	31st March 2017	1st April 2016
(i) the Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL	NIL
(ii) the amount of interest paid by the buyer in terms of Section 19 along with amount of the payment made to the supplier beyond the appointed day during the each accounting year	NIL	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	NIL
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year and	NIL	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 deduction as a deductible expenditure under section 25	NIL	NIL	NIL

**55 Corporate Social Responsibility**

a) Gross amount required to be spent by the Company during the year ₹7.00 Lakhs (PY ₹Nil).

b) Amount spent during the year

(₹ in lakhs)

Particulars	In Cash	Yet to be paid in Cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	295.00	-	295.00



**EMAMI INFRASTRUCTURE LIMITED**Notes to Financial Statements**56 First Time Adoption of Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company's opening Ind AS balance sheet was prepared as at April 1, 2016, the Company's date of transition to Ind AS. In preparing the opening balance sheet, the Company has applied the mandatory exceptions and certain optional exemptions from full retrospective application of Ind AS in accordance with the guidance in Ind AS 101 'First Time Adoption of Indian Accounting Standards'.

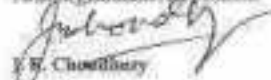
This note explains the principal adjustments made by the Company in restating its Indian GAAP (IGAAP) financial statements to Ind AS, in the opening balance sheet as at April 1, 2016 and in the financial statements as at and for the year ended March 31, 2017.

Particulars	As at March 31, 2017	As at April 1, 2016
Net worth as per Indian GAAP	2,607.29	1,061.98
Adjustments on account of application of Ind AS		
Impact of fair valuation of Preference Share and effective interest cost on non convertible debentures	(71.34)	(123.74)
Reappraisal of inventories	(68.50)	43.89
Deferred Tax on Ind AS adjustment	58.89	117.93
Net worth as per Ind AS	2,596.34	1,100.06

Particulars	For the Year Ended March 31, 2017
Profit after Tax as per Indian GAAP	1,945.31
Adjustments on account of application of Ind AS	
Impact of fair valuation of Preference Share and effective interest cost on non convertible debentures	52.40
Reappraisal of inventories	(132.76)
Deferred Tax on Ind AS adjustment	(29.02)
Total Comprehensive Income as per Ind AS	1,456.30

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

As per our report of even date  
For S. K. Agrawal & Co.  
Chartered Accountants  
Firm Registration No. 206033E

  
J. S. Choudhury  
Partner  
M. No. 00867  
Place: Kolkata  
Date: 30th Mar, 2018

For and on behalf of the Board of Directors

 Abhishek Datta Chairman DIN: 0079029	 Hari Mohan Mittal Director DIN: 0003460	 R. G. Ganesan Director DIN: 0080262
 Karan Singh Director DIN: 0254991	 Rajesh Kumar Parakh Director DIN: 00103176	 G. K. Choudhury Whole-time Director & CFO DIN: 0082762
 P. J. Jain Company Secretary ACS 22418		

