



emami* infrastructure limited
Annual Report 2011-2012

Corporate Information

BOARD OF DIRECTORS

Shri Hari Mohan Marda
Shri Ram Gobind Ganeriwala
Shri Basant Kumar Parakh
Shri Girija Kumar Choudhary, Whole-time Director & CFO
Shri Amar Bhalotia

COMPANY SECRETARY

Shri Abhijit Dan

STATUTORY AUDITORS

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

BANKER

ICICI Bank Limited

REGISTRAR AND TRANSFER AGENT

M/s Maheswari Datamatics Private Limited
6, Mangoe Lane, 2nd Floor
Kolkata - 700001, West Bengal, India
Phone : + 91-33-2243 5029
Fax : + 91-33-2248 4787
Email : mdpl@cal.vsnl.net.in

REGISTERED AND CORPORATE OFFICE

Emami Tower
687, Anandapur, E. M. Bypass
Kolkata - 700 107
Phone : + 91-33-6613 6264
Fax : + 91-33-6613 6249
E-mail : abhijit.dan@emamirealty.com
investors@emamirealty.com
Website : www.emamirealty.com

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Notice

NOTICE is hereby given that the 4th Annual General Meeting of the members of the Company will be held on Friday, 21st September, 2012 at 11.30 a.m. at the Registered Office of the Company at Emami Tower, 687, Anandapur, E M Bypass, Kolkata-700107 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the year ended 31st March, 2012 and the Balance Sheet as at that date together with the reports of the Directors and the Auditors thereon.
2. To appoint a director in place of Shri Amar Bhalotia, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT Shri Basant Kumar Parakh, who was appointed as an Additional Director w.e.f. 14th November, 2011, by the Board of Directors at its meeting held on 14th November, 2011 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and Article 133 of the Articles of Association of the Company and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company be liable to retirement by rotation."

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

"RESOLVED THAT Shri Girija Kumar Choudhary, who was appointed as an Additional Director w.e.f. 15th May, 2012, by the Board of Directors at its meeting held on 15th May, 2012 and who holds office upto the date of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and Article 133 of the Articles of Association of the Company and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company be not liable to retirement by rotation."

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

"RESOLVED THAT pursuant to provisions of Sections 198, 269 and 309 of the Companies Act, 1956 (the Act) read with Schedule XIII and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such other consents and approvals as may be necessary, Consent of the Company be and is hereby accorded to the appointment of Shri Girija Kumar Choudhary" as a 'Whole-time Director & CFO' of the Company for a period of five years w.e.f. 15th May 2012 on the terms and conditions including remuneration as set out in the Agreement entered into between the Company and Shri Girija Kumar Choudhary and the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee of the Board constituted to exercise its power, including the powers conferred by this resolution) to alter and vary the terms and conditions of the said appointment and/or the Agreement so as not to exceed the limits specified in schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and Shri Girija Kumar Choudhary."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take such steps and do all such other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing Proxies should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
3. Members/Proxies should bring their attendance slips sent herewith duly filled in, for attending the meeting.
4. The Register of Members and Share Transfer Registers of the Company shall remain closed from Monday, 17th September, 2012 to Friday, 21st September, 2012 (both days inclusive).
5. Members desiring any information with regard to the accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
6. The members of the Company who have not yet encashed the fractional entitlement of shares of the Company upon the De-merger of 'Realty Undertaking' of Emami Limited are requested to forward the warrants to the Company/RTA for revalidation of the same.

Notice

7. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
8. A Statement containing details of Persons seeking appointment/re-appointment as directors under Item no. 2, 4, 5 and 6 of the Notice is annexed hereto.
9. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies and has permitted service of documents including Annual Report to its members through electronic modes. In the backdrop of this, the Company has given an option to the shareholders to receive the Annual Report through e-mail and is sending the Annual Report through e-mail to those members whose registered email-ids were available with the Company and those who are desirous of obtaining the same through this mode. To further support this initiative, members whose e-mail IDs have not been registered so far, are requested to register their e-mail addresses with their respective Depository Participant, in respect of holdings in Demat form and, with the Company's RTA, M/s Maheswari Datamatics Private Limited in respect of shares held in physical form by sending a duly filled request form available at the Company's Website www.emamirealty.com. In case any member to whom an electronic copy of Annual Report has been sent desires to receive a physical copy, he may request the Company to send the same.

By Order of the Board
For **Emami Infrastructure Limited**
Abhijit Dan
Company Secretary

Kolkata
14th August, 2012

EXPLANATORY STATEMENT

Pursuant to Section 173(2) of the Companies Act, 1956

ITEM NO. 4 AND 5

Shri Basant Kumar Parakh and Shri Girija kumar Choudhary were appointed as additional directors of the Company by the Board of directors at their meetings held on 14th November 2011 and 15th May 2012 respectively. As per section 260 of the Companies Act, 1956 read with Article 133 of the Articles of Association of the Company they hold office upto the date of ensuing Annual general Meeting. The Company has received notices from members proposing the appointment of Shri Basant Kumar Parakh and Shri Girija Kumar Choudhary as Directors of the Company at the ensuing Annual general Meeting. Each of the said Notice is accompanied by a deposit of Rs. 500 as required by law.

The Board considers that their association as directors will be in the interest of the Company and therefore recommends that the resolution set out in the item no. 4 and 5 of the notice be passed.

As required under the listing agreement, the information/data to be provided for the appointment of the aforesaid directors has been given as an annexure to this notice.

None of the directors is in any way concerned or interested in these resolutions except Shri Basant Kumar Parakh and Shri Girija Kumar Choudhary to the extent of their appointment.

ITEM NO. 6

The Board of Directors of your Company ('the Board') at its meeting held on 15th May 2012 appointed Shri Girija Kumar Choudhary, CFO of the Company as a 'Whole-time Director & CFO' for a period of five years w.e.f. 15th May 2012. The main terms and conditions of his appointment are as follows :

Salary : Salary (including special allowance) of Rs. 99,290/- (Rupees Ninety nine thousand two hundred ninety only) per month. He shall be also entitled to other benefits, perquisite and allowances as may be determined by the Board from time to time. In addition, he shall be entitled for contribution to the provident fund, leave travel allowances, Bonus and other benefits as per the Company's Policy and applicable law in force from time to time.

The board of Directors shall be authorized to revise remuneration from time to time provided that the remuneration package shall be within the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments made thereto.

Shri Girija Kumar Choudhary will be entitled to leave according to Company's leaves rules applicable to its whole time directors.

Notice

Other Terms :

1. The Whole-time Director and CFO shall have all such powers and authorities which remain vested with him under the Companies Act, 1956 and the Articles of Association of the Company and the Whole-time Director & CFO shall be entrusted with the general Conduct and management of the Business and affairs of the Company subject to the supervision, control and direction of the Board of Directors. Further the Board of Directors of the Company is authorised to empower the Whole Time Director & CFO with specific authority from time to time.
2. The Whole-time Director & CFO shall not be paid any sitting fees for attending the Meetings of the Board of Directors or committees thereof.
3. The Whole-time Director & CFO shall subject to the provisions of the Companies Act, 1956 be entitled to be reimbursed by the Company in respect of any out of pocket expenses incurred by him in discharge of his bonafide functions/duties on behalf of the Company.
4. The Company has entered into an agreement with Shri Girija Kumar Choudhary which inter alia contain all the terms and conditions of his appointment which is available for inspection during working hours at the Registered office of the Company upto the date of Annual General Meeting. The agreement with Shri Choudhary can be terminated by either party (Company or Whole-time Director & CFO) by giving three months prior notice in writing.
5. Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, Shri Choudhary shall be entitled to receive the aforesaid remuneration including perquisites and other benefits etc. and further increment, if any, made thereto by the Board of Directors of the Company, as minimum remuneration not exceeding the ceiling limit mentioned in Schedule XIII to the Companies Act, 1956.
6. The appointment of Shri Girija Kumar Choudhary is by virtue of his employment in the Company and his appointment is subject to the provisions of the Section 283(1)(l) of the Companies Act, 1956.
7. The above terms of the appointment of Shri Girija Kumar Choudhary has already been sent to all the Shareholders of the Company as per section 302 of the Companies Act, 1956.

None of the Directors of your Company, other than Shri Girija Kumar Choudhary, is in any way concerned or interested in this Resolution.

The Board recommends this Resolution for your Approval.

Kolkata
14th August, 2012

By Order of the Board
For **Emami Infrastructure Limited**
Abhijit Dan
Company Secretary

Annexure to Notice

Details of Directors seeking Appointment / Re-appointment at the ensuing Annual General Meeting

Name	Date of Birth	Date of Original Appointment	Expertise in specific functional areas	Qualifications	Directorship in other Public Ltd. Companies (as on 31.3.2012) ^	Membership of Board of Committees in other Public Ltd. Companies (as on 31.3.2012) ^	Other information (As on 31.03.2012) ^
Shri Amar Bhalotia	29/02/1984	25/01/2010	Amar Bhalotia possesses extensive knowledge and experience of real estate and has been involved in various real estate deals/investments in almost all major cities and across all asset class. Prior to this he was working in the real estate transaction advisory Services in Ernst & Young India Ltd. and had been involved with a lot of advisory and fund raising	Graduate and PGDM from Symbiosis Center for Management, Pune	1. Zandu Realty Limited 2. Pamposh Commercial Co. Limited 3. Rivera Finvestrade Limited	-	Share held - Nil
Shri Basant Kumar Parakh	02/09/1961	14/1/2011	Shri Basant Kumar Parakh is having 20 years of experience in the industry and Real Estate Development.	Graduate	1. Narcissus Abasan Limited 2. Orbit Realty Infrastructure Limited 3. Emami Realty Limited 4. The Calcutta Silk MFG. Co. Limited	-	Share held - Nil
Shri Girija Kumar Choudhary	05/01/1962	15/05/2012	Sri Girija Kumar Choudhary, B.Com (Hons) Gold Medallist, is a Fellow member of the Institute of Chartered Accountants of India (ICAI). He was enrolled as a member of ICAI in 1987 and has an experience of about 25 years in the industry and the profession. He joined in the Realty vertical of Emami Group as CFO of Emami Realty Limited in 2006 and presently he is working as CFO of the Company.	B. Com (Hons.) and FCA	1. Premier Ferro Alloys & Securities Limited 2. Emami Realty Limited	-	Share held - Nil

^ Information given on Shri Girija Kumar Choudhary is dated 15th May, 2012.

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 4th Annual Report of the Company, together with the Audited Accounts for the financial year ended 31st March 2012.

FINANCIAL HIGHLIGHTS

The standalone financial results for the year ended 31st March, 2012 are summarized below :

Particulars	For the year ended on 31.3.2012 (₹)	For the year ended on 31.3.2011 (₹)
Profit before Tax	1,28,74,296	78,15,716
Tax Expenses	(25,75,857)	(14,49,033)
Profit after Tax	102,98,439	63,66,683
Balance brought forward from last year	11,31,85,227	10,68,18,546
Balance carried forward to Balance Sheet.	12,34,83,666	11,31,85,227

DIVIDEND

In view of the fund requirement for the projects your directors do not recommend any dividend for the year ended 31st March, 2012.

OPERATIONS

The Company is presently engaged in various projects through its subsidiaries and associates. The construction works of the residential project of Emami Constructions Private Limited (a step down subsidiary) at Hyderabad is in full swing. More than 40% of the total numbers of flats has already been sold.

Emami Realty Limited (a wholly-owned subsidiary) has undertaken the largest project in north Kolkata namely "Emami City" spread across 2.5 million square ft. (approx.).

PARTICULARS UNDER SECTION 217 OF THE COMPANIES ACT, 1956

Conservation of Energy, Technology Absorption Foreign Exchange Earning and Outgo

Presently, the company is not engaged in any activity relating to conservation of energy or technology absorption. The company has no foreign exchange earnings and outgoes during the year under review.

Particulars of The Employees

No employee of the Company is covered under Section 217(2A) of the Companies (Particular of Employees) Rules, 1975 made there under.

AUDITORS & AUDITOR'S REPORT

The Auditors, M/s, S.K. Agrawal & Company, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible under section 224(1B) of the Companies Act, 1956 offers themselves for re-appointment.

The Notes on Accounts referred to in the Auditor's Report are self - explanatory and, therefore, do not call for any further comments.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief and according to the information and explanation obtained by them, state that:

- i) In preparation of the Annual Accounts, applicable Accounting Standards have been followed and there are no material departures;
- ii) The accounting policies have been consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of your company as at 31st March, 2012 and of the profit of the company for the year ended on that date.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your company and for preventing and detecting frauds and other irregularities.
- iv) The annual accounts of your Company have been prepared on a going concern basis.

STATUTORY DISCLOSURES

None of the Directors of the Company are disqualified as per the provisions of section 274(1) (g) of the Companies Act, 1956. The Directors have made necessary disclosures as required under the various provisions of the Act.

Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report forming part of the Directors Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is annexed to this Annual Report.

CORPORATE GOVERNANCE

Your Company reaffirms its commitment to the standard of Corporate Governance. As per clause 49 of the Listing Agreement with the Stock Exchange, a separate section on the Corporate Governance together with a certificate from the Auditors of the company confirming the Compliance is set out in the Annexure forming part of this report.

DIRECTORS

Shri Amar Bhalotia will retire by rotation and being eligible offers himself for re-appointment.

The Board has appointed Shri Basant Kumar Parakh as an additional Director of the Company w.e.f. 14th November 2011. The Board has also appointed Shri Girija kumar Choudhary as an additional director of the Company and designated him as "Whole-time Director & CFO" w.e.f. 15th May 2012.

Pursuant to section 260 of the Companies Act, 1956, Shri Basant Kumar Parakh and Shri Girija kumar Choudhary will hold office upto the date of ensuing Annual General Meeting. The Company has received notices in writing from members of the Company proposing their appointment as directors with a deposit of Rs. 500/- as required by the Act.

The Board recommends appointment/re-appointment of aforesaid Directors for your approval.

A brief resume of directors being appointed/re-appointed with the nature of their expertise, their shareholding in the Company as stipulated under Clause 49 of the Listing Agreement is appended as an annexure to the notice of the ensuing Annual General Meeting.

Shri Krinsna Kumar Khemka ceased to be the director of the Company due to sad demise on 15th October 2012. Since 1st April 2012, Shri Abhijit Datta, Shri Rajesh Bagaria, Shri Raj K Sureka, Shri Prashant Goenka and Shri Aditya Vardhan Agarwal have resigned from the Board.

The Board places on record its deep appreciation for the services rendered by the aforesaid directors during their tenure as members of the Board.

SUBSIDIARY COMPANIES

As on 31.3.2012, the Company is having the following subsidiary and step down subsidiaries:

1. Emami Realty Limited (Subsidiary)
 - 1.1 Delta PV Pvt. Ltd.
 - 1.2 Emami Constructions Private Limited
 - 1.3 Emami Ashiana Private Limited
 - 1.4 Octagon BPO Private Limited
 - 1.5 New Age Realty Private Limited
 - 1.6 Emami Rainbow Niketan Private Limited

A statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies, is attached herewith as an annexure.

In terms of general exemption granted by Ministry of Corporate Affairs, by the General Circular No. 2/2011 dated 8th February 2011, the annual accounts of the subsidiary Companies are not attached with the Accounts of the Company.

A statement pursuant to the said circular and under section 212(8) of the Companies Act, 1956 relating to Subsidiary Companies is attached with the Report as an Annexure.

Shareholders desirous for obtaining the Reports and Accounts of the subsidiary Companies may obtain the same upon request. The Audited Annual Account of subsidiary Companies will be kept open for inspection by any Shareholder at the Company's Registered Office.

In Compliance with the applicable Accounting Standards the audited Consolidated Financial Statements are provided in the Annual Report.

APPRECIATION

Your directors would like to record its appreciation for the cooperation and support received from Government Agencies, Central Government and State Government, Banks, Shareholders, Employees and all who have directly or indirectly contributed in success of your Company.

For and on behalf of the Board of Directors

Kolkata
14th August, 2012

Hari Mohan Marda
Director

Girija Kumar Choudhary
Whole-time Director & CFO

Management Discussion & Analysis

Industry Structure and Developments

The Economies across the World witnessed numerous events like USA's debt and unemployment, Eurozone crisis impacting the growth. However, a developing nation like India on the other hand showed the sign of stability and emerged as a ray of hope to the rest of the world. The year has been a challenging one for the Indian Economy too. The Economy had faced challenges like high inflation, tightening monetary policy, weakening industrial growth and investment, lack of direction in monetary policies, depreciating Rupee and high crude oil prices, which led to slowdown of overall growth. The Economy grew by 6.5% during the year, which is lower in comparison to the earlier few years. However, the Country is expected to get back its momentum of growth due to higher savings and easing inflationary pressure. The real estate sector has been playing an integral role in the Indian economy. The sector has demonstrated unparalleled growth over the years and presently accounts for almost 5% of the country's GDP and is projecting to increase enormously year on year.

Opportunities and Threats

Your company expects a steady growth in demand with focus on the affordable and mid-income segment. This would have a significant impact in mitigating the demand supply gap of the previous year.

One major challenge facing the real estate sector is the management of multifaceted tax levies applicable on different transactions. The Government has taxed the industry aggressively by reducing exemption/ benefits/concessions available to it thereby increasing the tax incidence on the business. Also, absence of a single regulator to monitor business practices prevailing in Indian real estate market is perceived to be a risk factor by investors.

The real estate sector will be significantly affected if there is slow-down in the economic growth of the Country. Sustained economic growth is crucial for stable growth in demand for real estate.

Risk and Concern

The Company operates in an environment which is affected by various factors some of which are beyond its control. The Management periodically reviews the control mechanisms in place, so that risks are minimized to the optimum. Inflation still remains its biggest threat coupled with significant rise in commodity prices, which has the biggest impact on the purchasing power of the consumers. Further the rising interest rates also affect the business and new investments.

Outlook

The real estate sector witnessed a sharp decline in the absorption rate in the FY 2011-12. The sentiment of buyers during the year was cautious. New launches moderated during the year due to lower demand and regulatory hurdles. In the coming year the sector is expected to execute projects and foresees increase in sales across the market due to expected lowering of interest rates, improving affordability and faster pace of new launches.

Emami Constructions Private Limited, a step down subsidiary of your Company, is engaged in a residential project namely 'Swan Lake' Project at kukatpally, Hyderabad. Emami Realty Limited, a wholly-owned subsidiary, of your company has undertaken a project namely 'Emami city' at North Kolkata. Your Company is in the process of exploring more opportunities for development and is optimistic about its growth.

Corporate Social Responsibility

As a good corporate citizen, your Company aims to discharge its social responsibilities in sync with the achievement of its own goals and objectives.

Human Resource and Industrial Relations

Human Resource in your Company continues to be core strength and it always strives to align the Company's objectives towards optimum utilization of the manpower, continuous training of the employees and increase in employees aspirations by rewarding them for their talent and ensuring their developments.

Cautionary Statement

Statements in this management discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual Results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the real estate sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is committed to the principles of good corporate governance that is an integral part of good values, ethics and best business practices.

The Company believes that Corporate Governance is a voluntary and self discipline code which means not only ensuring compliance with regulatory requirements but by also being responsive to stakeholders' needs.

The company's philosophy on Corporate Governance is to achieve highest level of transparency, accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the governments

2. BOARD OF DIRECTORS

The Board of Directors is the apex body for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served.

Composition of Board

The present strength of the Board of Directors is five, out of which three are independent directors. The Composition of the Board of Directors is in conformity with Clause 49 of the Listing Agreement. The Board of the Company represents an optimum combination of professional, knowledgeable and experienced persons. The composition of the Board and category of Directors is as follows :

SI No.	Name	Designation	Category of Directorship	
			Executive/ Non-Executive Director	Independent/Non Independent/ Promoter Director
1.	Shri Hari Mohan Marda	Director	Non-Executive	Independent
2.	Shri Ram Gobind Ganeriwala	Director	Non-Executive	Independent
3.	Shri Basant Kumar Parakh	Director	Non-Executive	Non-Independent
4.	Shri Girija Kumar Choudhary	Director	Executive	Non-Independent
5.	Shri Amar Bhalotia	Director	Non-Executive	Independent

Number of Board Meetings and Attendance of Directors

The Board meets at least once in a quarter, to consider amongst other business the performance of the company. The particulars of Board Meetings held during the year 2011-12 are given below:

DETAILS OF BOARD MEETINGS :

Number of Board Meetings held during 2011-12 : 4

SI.No.	Date of Board Meeting
1.	13.5.2011
2.	12.8.2011
3.	14.11.2011
4.	10.02.2012

Corporate Governance Report

The attendance of each of the directors at the meeting of the Board of Directors during the year 2011-12 and the last Annual General Meeting and their directorship and membership/chairmanship in Board Committees of other Companies are given below :

Sl. No.	Name of Director	No. of Board meeting attended	Attendance at last AGM	No. of other Directorships as on 31.3.2012#	No. of Committee Position held as on 31.3.2012 ^	
					Member	Chairman
1.	Shri Abhijit Datta.*	3	No	–	–	–
2.	Shri Krishna Kumar Khemka**	2	No	–	–	–
3.	Shri Hari Mohan Marda	4	No	3	–	2
4.	Shri Ram Gobind Ganeriwala	4	Yes	1	–	–
5.	Shri Basant Kumar Parakh ***	1	No	4	–	–
6.	Shri Rajesh Bagaria##	4	Yes	3	–	–
7.	Shri Aditya Vardhan Agarwal@	2	No	9	1	–
8.	Shri Raj K Sureka ##	3	No	3	–	–
9.	Shri Prashant Goenka ##	2	Yes	5	–	–
10.	Shri Amar Bhalotia	1	No	3	–	–
11.	Shri Girija Kumar Choudhary ^ ^	–	–	2\$	–	–

* Shri Abhijit Datta has resigned from the Board w.e.f 10th February, 2012.

** Shri Krishna Kumar Khemka has ceased to be the member of the Board due to sad demise on 15th October, 2011.

*** Shri Basant Kumar Parakh has appointed as an additional director of the Company w.e.f. 14th, November 2011.

Shri Rajesh Bagaria, Shri Raj K Sureka and Shri Prashant Goenka, have resigned from the Board w.e.f 15th May 2012.

@ Shri Aditya Vardhan Agarwal has resigned from the Board w.e.f. 14th August, 2012.

^ ^ Shri Girija Kr. Choudhary has Appointed as an additional director of the Company and designated as "Whole-time Director and CFO" w.e.f 15th May 2012.

Directorships do not include alternate directorship, directorships of Private Limited Companies, Section 25 companies, and of companies incorporated outside India.

^ Committee positions include position only in Audit and Shareholders/Investors Grievance Committees.

\$ As on 15th May, 2012.

Information placed before the Board

The Company has complied with Clause 49 of the Listing Agreement with regard to the information being placed before the Board of Directors.

The Board is presented with all material and significant information. These are submitted either as the part of Agenda papers well in advance of the Board Meetings or are tabled in the course of Board Meetings or meetings of the relevant Committees.

CODE OF CONDUCT

The code of conduct of the company has been framed for its directors, senior management and employees of the company in compliance with clause 49 of the Listing Agreement.

3. COMMITTEES OF BOARD OF DIRECTORS

Emami Infrastructure Limited has constituted the following Board Committees which deal with matters and monitor the activities falling within the terms of reference as follows :

Corporate Governance Report

(A) Audit Committee

TERMS OF REFERENCE

The terms of Reference of the audit Committee are in accordance with those specified in Clause 49 of the Listing Agreement.

The functions of the Committee include:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing the quarterly, half-yearly and annual financial statements before submission to the Board.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function.
- Discussing with internal and external auditors any significant finding and follow-up on such issues.
- Reviewing key accounting matters and developments.
- Reviewing the utilisation of funds raised by the Company.
- Reviewing the statutory compliance system.
- Reviewing the related parties' transactions.
- Reviewing the financials of the subsidiary companies.
- Reviewing other matters as directed by the Board.

AS ON 31ST MARCH 2012 THE CONSTITUTION OF AUDIT COMMITTEE WAS AS UNDER :

Name of the Members	Designation	Status
Shri Ram Gobind Ganeriwala*	Chairman	Independent Director
Shri Hari Mohan Marda	Member	Independent Director
Shri Rajesh Bagaria**	Member	Promoter Director

Shri Abhijit Dan, Company Secretary and Compliance Officer, acts as Secretary to the Committee.

* Shri Krishna Kumar Khemka, erstwhile Chairman of the Committee has ceased to be the member of the Committee due to sad demise on 15th October 2011 and Shri Ram Gobind Ganeriwala elected as the member and Chairman of the Committee w.e.f 5th November, 2011.

** Shri Rajesh Bagaria ceased to be the member of the committee w.e.f. 15th May 2012 and Shri Girija Kumar Choudhary has been inducted as member due to re-constitution of the committee on 15th May 2012.

All the members of the Committee are eminent in their respective fields having sufficient accounting and financial management expertise and the Chairman of the Committee is having wide experience and expertise in dealing with commercial matters.

ATTENDANCE OF THE AUDIT COMMITTEE

Meetings of the Audit Committee were held on 13.5.2011, 12.8.2011, 14.11.2011, 10.2.2012 during the year. The attendance of the meeting is as follows :

Name of the Members	No. of meetings attended
Shri R. G. Ganeriwala *	2
Shri Hari Mohan Marda	4
Shri Rajesh Bagaria**	4
Shri K. K. Khemka*	2

* Shri Krishna Kumar Khemka, erstwhile Chairman of the Committee has ceased to be the member of the Committee due to sad demise on 15th

Corporate Governance Report

October 2011 and Shri Ram Gobind Ganeriwala has been elected as member and Chairman of the Committee w.e.f 5th November, 2011.

** Shri Rajesh Bagaria ceased to be member w.e.f 15th May, 2012.

(B) Remuneration Committee

As on 31-03-2012, there was no Remuneration Committee.

However, the Company has formed, the Remuneration Committee on 15-05-2012 the details of which are as under :

Name of the Members	Designation
Shri Hari Mohan Marda	Chairman
Shri Amar Bhalotia	Member
Shri R. G. Ganeriwala	Member

Shri Abhijit Dan, Company Secretary and Compliance Officer, acts as Secretary to the Committee.

REMUNERATION POLICY

The Non-Executive Directors are paid remuneration by way of sitting fees for attending the meetings of Board and Committees. The Remuneration Committee deals with all elements of remuneration package of the "Whole-time Director & CFO".

Non-Executive Directors are paid sitting fees for attending the meetings of the Board within the prescribed limits. They bring significant professional expertise and substantial benefits through the rich experience in the fields of finance, information system, marketing and corporate strategy. Through their experience and knowledge, they safeguard the interest of investors by exercising an appropriate role of control at various levels. The Company has also inducted them in the committees of the Board i.e. Audit Committee, Investors' Grievances Committee etc.

Remuneration Paid to Non-Executive Directors during the year

Sl. No.	Name of the Director	Sitting Fees Paid (₹)
1.	Shri Abhijit Datta	7,500
2.	Shri Krishna Kumar Khemka	10,000
3.	Shri Hari Mohan Marda	20,000
4.	Shri Ram Gobind Ganeriwala	17,500
5.	Shri Rajesh Bagaria	20,000
6.	Shri Raj K Sureka	10,000
7.	Shri Aditya Vardhan Agarwal	7,500
8.	Shri Prashant Goenka	5,000
9.	Shri Amar Bhalotia	2,500
10.	Shri Basant Kumar Parakh	2,500
	TOTAL	102,500

Corporate Governance Report

Details of the shares held by Non-Executive Directors as on 31.3.2012

Name of the Non-Executive Directors	No. of shares held
Shri Hari Mohan Marda	NIL
Shri Ram Gobind Ganeriwala	NIL
Shri Rajesh Bagaria	NIL
Shri Aditya Vardhan Agarwal	46699
Shri Raj K Sureka	872
Shri Prashant Goenka	40366
Shri Amar Bhalotia	NIL
Shri Basant Kumar Parakh	NIL

(C) Investors' Grievances Committee

The Investors' Grievances Committee has been constituted for redressing the complaints of the shareholders and investors and monitoring investors' grievances.

AS ON 31ST MARCH 2012 THE CONSTITUTION OF INVESTORS' GRIEVANCES COMMITTEE WAS AS UNDER :

Name of the Member ^	Designation	Status
Shri Ram Gobind Ganeriwala	Chairman	Independent Director
Shri Aditya Vardhan Agarwal*	Member	Promoter Director
Shri Raj K Sureka**	Member	Promoter Director

Shri Abhijit Dan, Company Secretary and Compliance Officer, acts as Secretary to the Committee.

* Shri Aditya Vardhan Agarwal ceased to be a member of the committee w.e.f. 15th May, 2012.

** Shri Raj K Sureka ceased to be a member of the Company w.e.f. 15th May, 2012.

^ Shri Basant Kumar Parakh and Shri Girija Kumar Choudhary have become the members of the committee w.e.f. 15th May, 2012 due to re-constitution of the Committee on 15th May, 2012.

Functions :

The basic functions of the Investors Greivances' Committee are to look into the redressal of Complaints relating to the following :

- Transfer of Shares.
- Non receipt of Dividend.
- Non receipt of Balance Sheet.
- Any other matter(s) out of and incidental to these functions and other acts assigned by the Board.

Attendance of The Investors Grievances Committee :

The committee met once during the year on 7th February, 2012. Shri Ram Gobind Ganeriwala and Shri Raj K Sureka have attended the said meeting.

Corporate Governance Report

Status of Shareholders'/Investors' Complaints for the year ended 31.03.2012

Nature of Complaint	No. of Complaints pending as on 31.03.2011	No. of complaints received	No. of complaints resolved	No. of complaints pending as on 31.03.2012
Non Receipt of Annual Report	Nil	4	4	Nil

4. SUBSIDIARY COMPANIES

The Company has one material non listed subsidiary company viz Emami Realty Limited and six non material, non listed subsidiary companies viz. Delta PV Pvt.Ltd., Emami Constructions Private Limited, Emami Ashiana Private Limited, Octagon BPO Private Limited, New Age Realty Private Limited and Emami Rainbow Niketan Private Limited.

5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Annual report has a separate section for detailed Management Discussion and Analysis Report.

6. DISCLOSURES

(a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, Directors or the management, their subsidiaries and relatives that may have potential conflict with the interest of the company at large.

The Company does not have any related party transactions, which may have potential conflict with its interest at large. Attention of the members is drawn to the disclosures of the transactions with the related parties set-out in the Notes of Accounts forming part of the Annual Report.

(b) Disclosure of non-compliance by the company, penalties, and strictures imposed on the company by the stock exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years.

There has been no such Non- Compliance.

(c) Disclosure of the Accounting Treatment

In preparation of financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant Accounting Policies which are consistently applied have been set out in the Notes to the standalone financial statements.

(d) Board Disclosures-Risk Management

The Company has framed comprehensive risk management policies for both the employees and the Company, not only to manage risks but also to minimise their impact.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement as stated above.

(e) Non-Mandatory requirements

Particulars	Status
The Board	
1) Non-Executive Chairman's office	Presently the Company is not having any Chairman.
2) Tenure of Independent Director	No maximum tenure for Independent Directors has been specifically determined by the Board.
Remuneration Committee	As on 31-03-2012 there was no Remuneration Committee. However, the Company has formed, the Remuneration Committee on 15th May, 2012.
Shareholders Rights	The quarterly, half yearly and annual financial statements of the company are being published in newspapers.
Audit Qualifications	There are no audit qualifications by the auditors of the company since its incorporation.

Corporate Governance Report

Particulars	Status
Training of the Board of Members	At Emami Infrastructure Ltd., all the members of Board of the Company are well-experienced professionals and are well acquainted with business knowledge of the of the industry. Therefore there is no need for any formal training of such Directors. Directors are fully briefed on all the business related matters, risk assessment and minimization procedures. Directors are also updated on changes or developments pertaining to the statutes, legislation and economic environment.
Evaluation of the Non-Executive Board members.	Presently the company has not adopted this requirement.
Whistle Blower Policy	Presently the company, has not adopted this policy

7. GENERAL BODY MEETINGS

The details of last three Annual General Meetings held are as under :

Details of the Annual General Meeting :

Year	Location	Date	Time
2008-09	687, Anandapur E.M. Bypass, Kolkata - 700 107	25.5.2009	11.00 a.m.
2009-10	Science City (Mini Auditorium) J.B.S. Haldane Avenue, Kolkata - 700 046	16.9.2010	11.30 a.m.
2010-11	687, Anandapur, E.M. Bypass, Kolkata -700107	24.09.2011	11.30 a.m.

No special resolution was passed in the aforesaid Annual General Meetings.

No special resolution was passed through postal ballot during the financial year 2011-12.

8. COMPLIANCE WITH CLAUSE 47(f) OF THE LISTING AGREEMENT

In compliance with Clause 47 (f) of the Listing Agreement, a separate e-mail Id: investors@emamirealty.com has been set up as a dedicated ID solely for the purpose of registering investors' complaints.

9. MEANS OF COMMUNICATION

The Unaudited financial results of the company for each quarter are being placed before the Board of Directors within forty five days from the end of the quarter. The audited financial results/ Unaudited financial results of the company are generally published in one English newspapers and one daily regional newspaper. The financial results and other useful information on the company will be also available on the Company's Website at www.emamirealty.com.

10. DETAILS OF INFORMATION ON APPOINTMENT/RE-APPOINTMENT OF DIRECTORS

The detail of information on appointment/re-appointment of directors has already been given in the notice convening the fourth Annual General Meeting.

11. GENERAL SHAREHOLDERS INFORMATION

I. Annual General Meeting of the Company will be held on **Friday, 21st September, 2012 at 11.30 a.m.** at the Registered Office of the Company at **Emami Tower, 687, Anandapur, E.M.Bypass, Kolkata 700107.**

Book Closure date : Monday, 17th September, 2012 to Friday, 21st September, 2012 (Both the days inclusive)

Corporate Governance Report

Financial Calendar

Financial year: April 01, 2012 to March 31, 2013.

The tentative dates of the Board meeting for consideration of financial results for the financial year 2012-13 are as follows :

First quarter	On or before 14th August, 2012
Second quarter	On or before 14th November, 2012
Third quarter	On or before 14th February, 2013
Annual Audited Results	Within 60 days from 31st March, 2013

Dividend Payment: N.A

II. Listing on Stock Exchange

The shares of the Company are listed in the following Stock Exchanges:

1. Bombay Stock Exchange Ltd (Stock Code: 533218)
25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street Fort,
Mumbai-400 001
2. The National Stock Exchange of India Ltd. (Stock Code: EMAMI INFRA)
Exchange Plaza, C-1, Block-G, Bandra-Kurla Complex, Bandra(E)
Mumbai-400 051
3. The Calcutta Stock Exchange Ltd (Stock Code: 15214)
7, Lyons Range, Kolkata West Bengal 700 001

There are no arrears of Listing Fees.

ISIN allotted to the Company: INE778K01012

III. Share Transfer System

The Board has delegated the power of share transfer to the Registrar and Transfer Agent M/s. Maheswari Datamatics Private Limited subject to the supervision and approval of the concerned officer of the Company. The delegated authorities attend to share transfer formalities at least thrice in a month subject to the requirement. Transfer of shares are processed and registered within the stipulated time, provided all the documents are valid and complete in all respect. The Company Secretary is acting as the Compliance Officer of the Company and monitoring the share transfer process.

The Company has appointed M/s Maheswari Datamatics Pvt Ltd. as its Share Transfer Agent for both physical and demat segment of equity shares.

IV. Registrar and Transfer Agent (RTA)

M/s Maheswari Datamatics Private Limited
6, Mangoe Lane, Kolkata - 700001
West Bengal, India Tel: 91-033-2248 2248, 2243 5809 / 5029
Fax No 91-033-2248 4787, Email : mdpl@cal.vsnl.net.in

Corporate Governance Report

V. Distribution of Shareholding as on 31st March, 2012

Shareholding	Shareholders		Shares	
	Number	% of Total	Number	% of Total
Upto 500	16028	87.57	1952474	8.04
501 to 1000	1180	6.45	975121	4.01
1001 to 2000	550	3.00	841229	3.46
2001 to 3000	177	0.97	456148	1.88
3001 to 4000	84	0.46	307686	1.27
4001 to 5000	77	0.42	366523	1.51
5001 to 10000	101	0.55	745067	3.07
10000 and above	107	0.58	18654144	76.77
Grand Total	18304	100	24298392	100

Pattern of Shareholding as on 31st March 2012

Category	Number of shareholders	Percentage (%)	Number of shares	Percentage (%)
A. Promoters' holding				
Promoters				
- Indian promoters				
Individuals	44	0.24	4,08,817	1.68
Corporate	12	0.07	1,36,63,553	56.24
- Foreign promoters	2	0.01	171	0.00
Sub-Total	58	0.32	1,40,72,541	57.92
B. Non-Promoters holding				
1. Institutional investors				
a. Mutual Funds and UTI	Nil	Nil	Nil	Nil
b. Banks, Financial Institutions and Insurance Companies	Nil	Nil	Nil	Nil
c. Foreign Institutional Investors	Nil	Nil	Nil	Nil
Sub-Total	Nil	Nil	Nil	Nil
2. Non-Institutional Investors				
a. Private corporate bodies	577	3.15	44,80,184	18.44
b. Individuals				
(i) Nominal sharecapital upto ₹ 1 Lakh	17,567	95.97	55,50,002	22.84
(ii) Nominal Sharecapital in excess of ₹ 1 Lakh	2	0.01	1,27,851	0.53
c. Any other				
Non-Resident Individual	63	0.34	26,879	0.11
Clearing Member	37	0.20	40935	0.17
Sub-Total	18246	99.68	1,02,25,851	42.08
GRAND TOTAL	18304	100	24298392	100

Corporate Governance Report

Summary Report of Shareholding as on 31.3.2012

Particulars	Shareholders		Shares	
	No.	Percentage	No.	Percentage
PHYSICAL	119	0.65	37461	0.15
NSDL	10931	59.72	18655178	76.78
CDSL	7254	39.63	5605753	23.07
TOTAL	18304	100	24298392	100

Stock Market Data

- a) Dematerialization of Equity Shares and Liquidity: 98.85% of Equity Shares have been dematerialized as on 31st march, 2012.
- b) Outstanding GDRs/ ADRs / Warrant: The Company has not issued any Convertible Instruments ADR/GDRs/Warrants.

Monthly High and Low Quotes and Volume of Shares traded on National Stock Exchange(NSE) and Bombay Stock Exchange (BSE)

Year and Month	NSE			BSE			BSE
	High (₹)	Low (₹)	Volume in Numbers	High (₹)	Low (₹)	Volume in Numbers	Sensex Close
2011 APRIL	37.60	31.75	16,54665	37.25	31.80	9,06,913	19,135.96
MAY	32.90	28.50	4,91,183	32.90	28.25	3,94,447	18,503.28
JUNE	34.50	29.00	10,76,470	34.65	29.00	7,02,153	18,845.87
JULY	50.00	35.10	28,46,021	49.90	34.75	16,45,289	18,197.20
AUG	42.20	35.00	5,87,539	42.90	34.95	2,60,851	16,676.75
SEP	45.80	35.00	3,01,871	46.00	34.90	2,30,782	16,453.76
OCT	36.20	31.20	1,42,400	36.10	31.15	76,622	17,705.01
NOV	33.50	19.90	3,26,341	33.30	20.25	2,03,134	16,123.46
DEC	23.20	17.05	15,59,619	23.10	17.00	12,54,483	15,454.92
2012 JAN	24.00	17.20	1,95,726	25.40	17.05	1,71,357	17,193.55
FEB	25.45	20.80	1,41,755	26.00	21.25	1,86,306	17,752.68
MARCH	24.25	17.55	3,13,435	25.10	17.50	2,45,056	17,404.20

VI. Insider Trading

The Company in Compliance with the Security and Exchange Board of India Regulation, 1992 has formulated well defined Insider Trading Policies which would prohibit its employees and other associates to deal in the securities of the company based on any unpublished price sensitive information.

VII. Registered and Corporate Office of the Company

Emami Tower, 687, Anandapur,
E.M. Bypass, Kolkata-700 107, West Bengal
E-mail : abhijit.dan@emamirealty.com; investors@emamirealty.com
Website : www.emamirealty.com
Tel : 033 - 6613 6264; Fax : 033 - 6613 6249

VIII. Address for Correspondence

Investors/ Shareholders can correspond with the RTA or directly to the Registered & Corporate Office of the Company.

Corporate Governance Report

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that all Directors and Senior Management Team have affirmed Compliance with the Company's Code of Conduct.

Kolkata
14th August, 2012

Girija Kumar Choudhary
Whole-time Director & CFO

CERTIFICATION BY THE WHOLETIME DIRECTOR & CFO AND THE DIRECTOR OF THE COMPANY

We, Hari Mohan Marda, Director and Girija Kumar Choudhary, Whole-time Director & CFO, certify to the Board as required under Clause 49 of the Listing agreement with the stock exchanges, that :

- a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31.3.2012 and to the best of our knowledge and belief :
 - (i) these statements do not contain any materially untrue statement, or omits any material fact or contain any statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief no transactions entered into by the company during the year are fraudulent or illegal.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and steps have been taken to rectify these deficiencies.
- d) We have indicated to the auditors
 - i) Significant changes in the internal control over financial reporting during the year under reference.
 - ii) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) There have been no instances during the year of significant fraud either by the management or an employee having a significant role in the Company's internal control system of financial reporting.

For Emami Infrastructure Limited

Kolkata
14th August, 2012

Hari Mohan Marda
Director

Girija Kumar Choudhary
Whole-time Director & CFO

Corporate Governance Report

AUDITORS' CERTIFICATE

To
The Members of
Emami Infrastructure Limited

We have reviewed the records of Emami Infrastructure Limited for the year ended on March 31, 2012 relating to compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression on the financial statements of the Company.

In our opinion and according to the information and explanation given to us, we state that to the best of our knowledge the Company has complied with the conditions of Corporate Governance stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to further viability of the Company nor the efficiency nor effectiveness with which the management has conducted the affairs of the Company.

Kolkata
14th August, 2012

As per our report of even date
For **S. K. AGRAWAL & COMPANY**
Firm Registration No. 306033E
Chartered Accountants

Radhakrishan Tondon
Partner
Membership No. 060534

Auditors' Report

To the Members of

EMAMI INFRASTRUCTURE LIMITED

We have audited the Balance Sheet of Emami Infrastructure Limited as at 31st March, 2012 and also the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We further report that :

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
- c) The Balance Sheet, Statement of Profit & Loss & Cash flow Statement referred to in this report are in agreement with the books of accounts and comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956 to the extent applicable.
- d) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956.
- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and notes on accounts thereon give the information required by The Indian Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounted principles generally accepted in India:
 - i) In the case of Balance Sheet, of the state of affairs of the company as on 31st March, 2012;
 - ii) In the case of Statement of Profit & Loss, of the profit for the year ended on that date; and
 - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that :

- 1) The Company doesn't own any fixed assets, accordingly clause 4(i) of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 2) As explained to us, no inventories were held by the Company during the year. Accordingly, clause 4(ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 3)
 - a. According to the information and explanation given to us, the company has granted unsecured loans to two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.1,81,52,574 and the year end balance of loans granted to such parties was Rs.18,775.
 - b. The company has not taken unsecured loans from any company covered in the register maintained under section 301 of the Companies Act, 1956.
 - c. The rate of interest and other terms and conditions of loan given by the Company are not prejudicial to the interest of the Company.
 - d. The receipt of principal amount and interest are regular.
- 4) There are no transactions of purchase of inventories and fixed assets and sale of goods and services during the year. Accordingly, provisions of clause 4(iv) of Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 5) In respect of contracts or arrangements referred to in section 301 of the Companies Act, 1956:
 - a. According to the information and explanation given to us, the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been entered.

Auditors' Report

- b. According to the information and explanation given to us, the company has not entered into any transactions in pursuance of such contracts or arrangements aggregating during the year to Rs.50000 or more in respect of each party listed in the register maintained under section 301 of the Companies Act, 1956 for the purchase of goods, materials and sale of goods.
- 6) In our opinion and according to the information and explanation given, the Company has not accepted any deposit during the year from the public within the meaning of the provisions of section 58A & 58AA of the Companies Act, 1956 and the rules framed there under.
- 7) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of the business.
- 8) As explained to us, the company is not required to maintain cost records as prescribed under Section 209(1)(d) of the Companies Act, 1956.
- 9) According to the information and explanations given to us in respect of statutory and other dues:
 - a) The company has been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Cess and other statutory dues with the appropriate authorities during the year.
 - b) According to the information and explanations given to us and records of the company examined by us, there are no disputed dues in respect of sales tax, custom duty and excise duty.
- 10) The Company does not have accumulated losses as at the end of the year and it has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- 11) In our opinion and on the basis of information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institution or bank.
- 12) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) Clause (xiii) of the Order is not applicable, as the Company is not a chit fund Company or nidhi/ mutual benefit fund/ society.
- 14) Clause (xiv) of the Order is not applicable, as the Company has not dealt or traded in shares, securities, debentures or other investments during the year.
- 15) According to the information and explanations given to us, the company has given Corporate Guarantee on behalf of subsidiary company for loans taken from Banks and Financial Institutions for Rs.100 Cr.
- 16) According to the information and explanations given to us, term loans were availed by the company and they were applied for the purpose for which they were obtained.
- 17) According to the cash flow statement and other records examined by us and the information and explanations given to us on an overall basis, there are no funds raised on short term basis that have been used for long term investment.
- 18) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act 1956, during the year and hence the question of whether the price at which shares have been issued is prejudicial to the interest of the company does not arise.
- 19) The Company has not issued any debentures during the year and hence the question of creating security or charge in respect thereof does not arise.
- 20) The company has not raised money by public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
- 21) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Balance Sheet as at 31st March, 2012

	Note	As at 31st March, 2012	As at 31 March, 2011
Amount (₹)			
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	48,596,784	48,596,784
Reserves and Surplus	3	<u>357,732,882</u>	<u>347,434,443</u>
		406,329,666	396,031,227
Non -Current Liabilities			
Long-Term Provisions	4	446,298	200,289
Current Liabilities			
Short-Term Borrowings	5	21,369	500,000,000
Trade Payables	6	247,881	1,093,053
Other Current Liabilities	7	228,413	4,825,068
Short-Term Provisions	8	<u>26,531,342</u>	<u>23,951,584</u>
		27,029,005	529,869,705
TOTAL		433,804,969	926,101,221
ASSETS			
Non-Current Assets			
Non-Current Investments	9	98,000,000	98,000,000
Long-Term Loans and Advances	10	<u>74,240,000</u>	<u>74,240,000</u>
		172,240,000	172,240,000
Current Assets			
Cash and Cash Equivalents	11	305,286	136,555
Short-Term Loans and Advances	12	<u>261,259,683</u>	<u>753,724,666</u>
		261,564,969	753,861,221
TOTAL		433,804,969	926,101,221
Summary of Significant Accounting Policies and Notes to Accounts			
	1 to 23		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **S. K. AGRAWAL & COMPANY**
Firm Registration No. 306033E
Chartered Accountants

Radhakrishnan Tondon
Partner
Membership No. 060534

Place : Kolkata
Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda
Director

Girija Kumar Choudhary
Wholetime Director & CFO

Abhijit Dan
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2012

	Note	2011-12	2010-11
Amount (₹)			
INCOME			
Revenue from Operations		–	–
Other Income	13	46,876,449	22,137,438
Total Revenue (I)		46,876,449	22,137,438
EXPENSES			
Employee Benefits Expense	14	2,270,940	1,608,724
Finance Costs	15	29,861,695	10,087,419
Other Expenses	16	1,869,518	2,625,579
Total Expenses (II)		34,002,153	14,321,722
Profit before tax (I - II)		12,874,296	7,815,716
Tax Expenses			
Current Tax		4,256,300	2,329,642
Less : MAT Credit Set off		(1,680,443)	(880,609)
Profit for the Period		10,298,439	6,366,683
Earnings per equity share nominal value of share ₹ 2/-			
Basic & Diluted	17	0.42	0.26
Summary of Significant Accounting Policies and Notes to Accounts	1 to 23		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **S. K. AGRAWAL & COMPANY**
Firm Registration No. 306033E
Chartered Accountants

Radhakrishnan Tondon
Partner
Membership No. 060534

Place : Kolkata
Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda
Director

Girija Kumar Choudhary
Wholetime Director & CFO

Abhijit Dan
Company Secretary

Cash Flow Statement for the year ended 31st March, 2012

	Amount (₹)	
	2011-12	2010-11
<u>Cash Flow from Operating Activities</u>		
Profit before tax	12,874,296	7,815,716
Adjustment for :		
Finance Costs	29,861,695	10,087,419
Interest Income	(46,876,449)	(22,137,438)
Operating Profit before Working Capital Changes	(4,140,458)	(4,234,303)
Adjustment for :		
Increase/(decrease) in Long-Term Provisions	246,009	200,289
Increase/(decrease) in Trade Payable	(845,172)	886,205
Increase/(decrease) in Other Current Liabilities	(4,596,655)	(134,142,216)
Increase/(decrease) in Short-Term Provisions	2,579,758	1,451,585
Decrease/(increase) in Short-Term Loans and Advances	1,271,495	(6,378,622)
Cash Generated from/(used in) Operations	(5,485,023)	(142,217,062)
Less : Income Taxes Paid	2,575,857	1,449,033
Net cash flow from/(used in) Operating Activities (A)	(8,060,880)	(143,666,095)
<u>Cash Flow from Investing Activities</u>		
Loans Given	(49,176,449)	(783,137,438)
Loans Realised	540,369,937	360,863,381
Interest Income	46,876,449	22,137,438
Net Cash from Investing Activities (B)	538,069,937	(400,136,619)
<u>Cash Flow from Financing Activities</u>		
Proceeds from Short-Term Borrowings	–	594,600,000
Repayment of Short-Term Borrowings	(499,978,631)	(94,600,000)
Interest Paid	(29,861,695)	(10,087,419)
Net Cash from Financing Activities (C)	(529,840,326)	489,912,581
Net increase/(decrease) in cash and cash equivalents (A+B+C)	168,731	(53,890,133)
Cash and Cash Equivalents at the beginning of the year *	136,555	54,026,688
Cash and Cash Equivalents at the end of the year *	305,286	136,555

* Represents Cash and Bank Balance as indicated in Note No 11

As per our report of even date
For **S. K. AGRAWAL & COMPANY**
Firm Registration No. 306033E
Chartered Accountants

Radhakrishnan Tondon
Partner
Membership No. 060534

Place : Kolkata
Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda
Director

Girija Kumar Choudhary
Wholetime Director & CFO

Abhijit Dan
Company Secretary

Notes to Financial Statements for the year ended 31st March, 2012

1. Significant Accounting Policies

I. Basis of Preparation of Financial Statements

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

II. Use of Estimates

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

III. Investments

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

IV. Provisions & Contingent Liabilities

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

V. Revenue Recognition

Income and expenditure are recognised on accrual basis.

VI. Borrowing Cost

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

VII. Employee Benefits

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

VIII. Taxation

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

Notes to Financial Statements for the year ended 31st March, 2012

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

IX. Segment Reporting

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

X. Impairment of Assets

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

XI. Earning Per Share

Basic earnings per share are calculated by dividing the net profit/loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for the events of bonus issue and share split.

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

XII. Cash and Cash Equivalents

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

Notes to Financial Statements for the year ended 31st March, 2012

	Amount (₹)	
	As at	
	31st March, 2012	31st March, 2011
2. Share Capital		
Authorized Shares		
2,50,00,000 equity shares of ₹ 2/- each	50,000,000	50,000,000
Issued, Subscribed and Fully Paid-up		
2,42,98,392 Equity Shares of ₹ 2/- each*	48,596,784	48,596,784
	48,596,784	48,596,784

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

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

Equity Shares	31st March 2012		31st March 2011	
	No of shares	Amount	No of shares	Amount
At the beginning of the period	24,298,392	48,596,784	24,298,392	48,596,784
Issued during the period	-	-	-	-
Outstanding at the end of the period	24,298,392	48,596,784	24,298,392	48,596,784

b. Rights attached to Equity Shares

The company has only one class equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in Company

Name of Shareholders	31st March 2012		31st March 2011	
	No of shares	% holding in the class	No of shares	% holding in the class
Diwakar Viniyog Private Limited	3,412,491	14.04%	3,412,491	14.04%
Suntrack Commerce Private Limited	3,372,333	13.88%	3,372,333	13.88%
Bhanu Vyapaar Private Limited	2,778,899	11.93%	2,778,899	11.93%
Emami Enclave Makers Private Limited	1,411,000	5.81%	1,411,000	5.81%
Emami High Rise Private Limited	1,392,000	5.73%	1,392,000	5.73%
Suraj Viniyog Private Limited	1,294,491	5.33%	1,294,491	5.33%

	As at	
	31st March, 2012	31st March, 2011
3. Reserves & Surplus		
Capital Reserve		
At the beginning and at the end of the year	234,249,216	234,249,216
Surplus in Statement of Profit and Loss		
At the beginning of the year	113,185,227	106,818,546
Add : Surplus transferred from Statement of Profit & Loss	10,298,439	6,366,683
Net Surplus in Statement of Profit and Loss	123,483,666	113,185,227
Total Reserves and Surplus	357,732,882	347,434,443

Notes to Financial Statements for the year ended 31st March, 2012

	Amount (₹)	
	As at	
	31st March, 2012	31st March, 2011
4. Long-Term Provisions		
Provision for Employee Benefits (Refer Note No. 18)		
Gratuity	193,719	89,618
Leave Encashment	252,579	110,671
	446,298	200,289
5. Short-Term Borrowings		
Unsecured		
Loans from Others	–	500,000,000
Advances from Related Party (Refer No 19)	21,369	–
	21,369	500,000,000
6. Trade Payables		
Others	247,881	1,093,053
	247,881	1,093,053
7. Other Current Liabilities		
Interest accrued but not due on borrowings	–	906,164
Interest accrued and due on borrowings	–	2,488,180
Unclaimed Fractional Share Sale Proceeds*	24,638	24,739
Other Payables		
Employee Benefits	161,634	–
Duties & Taxes	37,141	1,405,985
Liabilities for Expenses	5,000	–
	228,413	4,825,068
* (There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at March 31, 2012)		
8. Short-Term Provisions		
Provision for Employee Benefits (Refer Note No. 18)		
Gratuity	2,771	985
Leave Encashment	3,681	1,566
Provision for Taxation	26,524,890	23,949,033
	26,531,342	23,951,584

Notes to Financial Statements for the year ended 31st March, 2012

	Amount (₹)	
	As at	
	31st March, 2012	31st March, 2011
9. Non Current Investments (Long Term)		
Trade Investments		
In Equity Shares in subsidiary		
Unquoted, fully paid up		
Emami Realty Limited		
20,00,000 Equity Shares of ₹10/- each	98,000,000	98,000,000
Aggregate amount of unquoted investment	98,000,000	98,000,000
10. Long-Term Loans and Advances		
(Unsecured, considered good)		
Security Deposit	90,000	90,000
Advances Given to Related Party (Refer Note No. 19)	74,150,000	74,150,000
	74,240,000	74,240,000
11. Cash and Cash Equivalents		
Balances with banks :		
In Current accounts	257,081	111,332
Escrow Account (Fractional Share Sale Proceeds)	24,638	24,739
Cash in hand	23,567	484
	305,286	136,555
12. Short-Term Loans and Advances		
(Unsecured, considered good)		
Loans to Related Party (Refer Note No. 19)	233,612,604	724,806,092
Advances recoverable in cash or kind	27,041	600,000
Advance Income Tax	27,620,038	24,806,193
Prepaid Expenses	-	3,512,381
	261,259,683	753,724,666

Notes to Financial Statements for the year ended 31st March, 2012

	Amount (₹)	
	For the year ended	
	2011-12	2010-11
13. Other Income		
Interest Income	46,876,449	22,137,438
	46,876,449	22,137,438
14. Employee Benefit Expenses		
Salary & Wages	2,112,117	1,501,566
Contribution to Provident & Other Funds	134,028	79,053
Staff Welfare Expenses	24,795	28,105
	2,270,940	1,608,724
15. Finance Cost		
Interest Expenses	26,349,314	9,945,300
Other borrowing costs	3,512,381	142,119
	29,861,695	10,087,419
16. Other Expenses		
Rent	106,719	99,275
Rates & Taxes	8,392	17,137
Professional Fees	302,916	623,210
Advertisement	124,939	296,199
Annual Custodial Fees	182,303	31,214
Directors' Sitting Fees	102,500	117,500
Maintenance Charges	106,719	99,275
Postage & Courier Charges	150,059	272,997
Printing & Stationery	213,529	344,078
Travelling & Conveyance	125,913	280,679
Miscellaneous Expenses	129,393	224,518
Payment to Auditors' (Refer Note No. 20)	316,136	219,497
	1,869,518	2,625,579
17 Earnings per Share (EPS)		
Earnings per share is calculated as follows :		
Net Profit/(loss) after tax attributable to Equity Shareholders	10,298,439	6,366,683
Weighted average number of equity shares in calculating basic EPS and diluted EPS	24,298,392	24,298,392
Nominal value of Equity Share	2	2
Basic & Diluted EPS	0.42	0.26

Notes to Financial Statements for the year ended 31st March, 2012

Amount (₹)

18 Defined Benefit Plans

As per Actuarial Valuations as on 31st March, 2012 and recognised in the financial statement in respect of Employee Benefit Schemes

Particulars	31st March, 2012		31st March, 2011	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
A. Components of Employer Expenses				
1. Current Service Cost	43,224	75,436	26,524	37,627
2. Interest Cost	7,701	9,540	–	–
3. Expected Return on plan assets	–	–	–	–
4. Actuarial Gain/Losses	54,962	59,047	64,079	74,610
5. Benefits paid	–	–	–	–
6. Total Expenses recognised in the Statement of Profit and Loss	105,887	144,023	90,603	112,237
B. Net asset/(liability) recognised in balance sheet as at 31st March, 2012				
1. Present value of Defined Benefits Obligation	196,490	256,260	90,603	112,237
2. Fair value of plan assets	–	–	–	–
3. Funded Status [surplus / (deficit)]	–	–	–	–
4. Net asset/(liability) recognised in balance sheet	–	–	–	–
C. Change in Defined Benefit Obligation during the year ended 31st March, 2012				
1. Present value of DBO at beginning of period	90,603	112,237	–	–
2. Current Service Cost	43,224	75,436	26,524	37,627
3. Interest Cost	7,701	9,540	–	–
4. Actuarial Gain/ Losses	54,962	59,047	64,079	74,610
5. Benefits paid	–	–	–	–
6. Present value of DBO at the end of period	196,490	256,260	90,603	112,237
D. Change in Fair Value of Assets				
1. Plan assets at beginning of period	–	–	–	–
2. Expected Return on Plan assets	–	–	–	–
3. Actuarial Gains	–	–	–	–
4. Actual company contributions	–	–	–	–
5. Benefits paid	–	–	–	–
6. Plan assets at the end of period	–	–	–	–
E. Actuarial Assumptions				
1. Discount Rate	8.50%	8.50%	8.00%	8.00%
2. Inflation Rate	5.00%	5.00%	5.00%	5.00%

Notes to Financial Statements for the year ended 31st March, 2012

Amount (₹)

19 Related party disclosures

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

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

<u>Name of Related Party</u>	<u>Relationship</u>
1. Emami Realty Limited	Subsidiary
2. Emami Rainbow Niketan Private Limited	Stepdown Subsidiary
3. Bengal Emami Housing Limited	Associates of Emami Realty Limited
4. Zandu Realty Limited	Associates of Emami Realty Limited
5. Bengal Emami Housing Limited	Associates of Emami Realty Limited (wef 27/06/2011)

ii) List of Key Management Personnel

- Shri Rajesh Bagaria
- Shri Raj K Sureka

iii) Entities where Key Management Personnel and their relatives have significant influence

- Emami Limited
- TMT Viniyog Limited
- Emami Estates Private Limited
- Emami Home Private Limited
- Emami Properties Private Limited
- Bengal Emami Housing Limited (upto 26/06/2011)

iv) Transactions during the year with related parties :

Nature of Transactions	Subsidiary and step down subsidiaries		Associates		Key Management Personnel		Enterprises over which Key Management Personnel and their relatives have significant influence		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
Director's Fees	-	-	-	-	30,000	25,000	-	-	30,000	25,000
Repair & Maintenance	-	-	-	-	-	-	106,719	99,275	106,719	99,275
Corporation Tax	-	-	-	-	-	-	3,992	3,992	3,992	3,992
Electricity Charges	-	-	-	-	-	-	65,404	48,773	65,404	48,773
Share Application Money	-	-	-	600,000	-	-	-	-	-	600,000
Share Application Money Refund	-	-	600,000	-	-	-	-	-	600,000	-
Loan Given	2,300,000	713,500,000	-	-	-	-	-	-	2,300,000	713,500,000
Repayment of Loan Given	522,216,111	35,433,979	-	-	-	-	282,399	266,317,601	522,498,510	301,751,580
Interest Received	46,856,422	2,281,687	-	-	-	-	17,870,175	3,782,399	64,726,597	6,064,086
Advance Given	-	-	201,591	-	-	-	-	-	201,591	-
Repayment of Advance Given	-	-	201,591	-	-	-	-	-	201,591	-
Other Expenditure	21,369	-	-	-	-	-	-	-	21,369	-
Balance as on 31st March 2012										
Investment	98,000,000	98,000,000	-	-	-	-	-	-	98,000,000	98,000,000
Security Deposit	-	-	-	-	-	-	90,000	90,000	90,000	90,000
Loans and Advances Given	189,550,000	704,600,000	-	-	-	-	74,150,000	74,432,399	263,700,000	779,032,399
Interest	44,043,829	2,053,518	-	-	-	-	18,775	17,870,175	44,062,604	19,923,693

Notes to Financial Statements for the year ended 31st March, 2012

Amount (₹)

20. Payment to Auditors	31st March, 2012	31st March, 2011
As Auditors :		
Audit Fees	228,793	137,875
Tax Audit Fees	11,236	11,030
Fees for Limited Review	66,180	66,180
For Other Services :		
Certification Fees	9,927	4,412
	316,136	219,497

21 Contingent Liability not provided for in respect of :

Corporate Guarantee on behalf of wholly owned Subsidiary Company - Emami Realty Ltd for ₹ 100 Crores (availed ₹ 50 Crores)

22 The Company has only one Reportable Business Segment i.e " Real Estate"

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

As per our report of even date

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

Firm Registration No. 306033E

Chartered Accountants

Radhakrishnan Tondon

Partner

Membership No. 060534

Place : Kolkata

Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda

Director

Girija Kumar Choudhary

Wholetime Director & CFO

Abhijit Dan

Company Secretary

Consolidated Auditors' Report

To the Members of

EMAMI INFRASTRUCTURE LIMITED

1. We have examined the attached Consolidated Balance Sheet of Emami Infrastructure Limited ("the Company"), its subsidiaries, and associates as at 31st March, 2012 and Consolidated Statement of Profit & Loss and Consolidated Cash Flow Statement for the period ended on that date annexed thereto.
2. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
3. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain the reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test check basis, evidence supporting the amounts and disclosure in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
4. We did not audit the financial statements of three associates, whose financial statements reflect as on 31st March, 2012, Group's share of loss amounting to Rs. 50284 for the period ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the reports of other auditors.
5. We report that consolidated financial statements have been prepared by the Company's management in accordance with requirements of Accounting Standard 21- "Consolidated Financial Statements" and Accounting Standard 23- "Accounting for Investments in Associates in Consolidated Financial Statements" as notified in Companies (Accounting Standards) Rules, 2006.
6. Based on our audit and on the consideration of separate audit reports on individual financial statements of the components, and to the best of our information and explanations given to us, we are of the opinion that the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of Consolidated Balance Sheet, of the Consolidated state of affairs of Emami Infrastructure Limited, its subsidiaries and associates as at 31st March 2012;
 - b) In the case of Consolidated Statement of Profit & Loss, of the Consolidated Loss of Emami Infrastructure Limited, its subsidiaries and associates for the period ended on that date, and
 - c) In the case of consolidated Cash Flow, of the Consolidated Cash flows of Emami Infrastructure Limited, its subsidiaries and associates for the period ended on that date.

Kolkata
14th August, 2012

For **S. K. Agrawal & Company**
Chartered Accountants
Firm Registration No. - 306033E
Radhakrishan Tandon
Partner
Membership No. 60534

Consolidated Balance Sheet

as at 31st March, 2012

	Note	As at 31.03.2012	As at 31.03.2011
Amount in ₹			
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	48,596,784	48,596,784
Reserves and Surplus	3	<u>245,867,143</u>	<u>538,312,097</u>
		294,463,927	586,908,881
Minority Interest		1,222,413	1,364,435
Non - Current Liabilities			
Long - Term Borrowings	4	806,032,478	658,134,354
Long - Term Provisions	5	<u>2,429,012</u>	<u>903,996</u>
		808,461,490	659,038,350
Current Liabilities			
Short - Term Borrowings	6	1,659,085,316	1,873,646,984
Trade Payables	7	10,443,868	2,168,425
Other Current Liabilities	8	1,249,246,502	215,762,242
Short - Term Provisions	9	<u>26,887,904</u>	<u>24,340,709</u>
		2,945,663,590	2,115,918,360
TOTAL		4,049,811,420	3,363,230,026
ASSETS			
Non - Current Assets			
Fixed Assets			
- Tangible Assets	10	8,914,620	5,778,386
- Intangible Assets	10	455,034	8,938
Goodwill on Consolidation	11	111,144,660	111,144,660
Non - Current Investments	12	968,326,025	1,213,450,951
Long - Term Loans and Advances	13	<u>212,626,568</u>	<u>199,083,578</u>
		1,301,466,907	1,529,466,513
Current Assets			
Inventories	14	1,455,761,133	1,027,073,262
Trade Receivables	15	150,000	518,400
Cash and Cash Equivalents	16	109,545,979	36,322,218
Short - Term Loans and Advances	17	<u>1,182,887,401</u>	<u>769,849,633</u>
		2,748,344,513	1,833,763,513
TOTAL		4,049,811,420	3,363,230,026
Summary of Significant Accounting Policies and Notes to Accounts	1 to 45		

The accompanying notes are an integral part of the financial statements

As per our report of even date
 For **S. K. AGRAWAL & COMPANY**
 Firm Registration No. 306033E
 Chartered Accountants
Radhakrishnan Tondon
 Partner
 Membership No. 060534
 Place : Kolkata
 Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda
 Director

Girija Kumar Choudhary
 Wholetime Director & CFO

Abhijit Dan
 Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2012

	Note	2011-12	2010-11
Amount in ₹			
INCOME			
Revenue from Operations	18	19,949,225	8,211,715
Other Income	19	78,079,120	93,689,513
Total Revenue (I)		98,028,345	101,901,228
EXPENSES			
(Increase)/Decrease in Inventories	20	(428,687,871)	(273,920,418)
Purchases	21	-	6,174,800
Employee Benefits Expense	22	52,525,190	11,897,971
Finance Costs	23	270,718,398	284,010,174
Project Expenses	24	228,537,444	131,791,100
Depreciation and Amortisation Expense	25	1,870,954	1,196,838
Other Expenses	26	13,382,592	18,795,221
Total Expenses (II)		138,346,707	179,945,686
Loss before tax (I-II)		(40,318,362)	(78,044,458)
Tax Expenses			
Current Tax		4,293,304	2,334,488
Income Tax for Earlier Year (net)		-	(57)
MAT Credit Adjustment		(1,680,443)	(880,609)
Loss after Tax before Minority Interest		(42,931,223)	(79,498,280)
Less : Share of Profit/(Loss) transferred to Minority Interest		(142,021)	(29,533)
Loss before and Share of Associates		(42,789,202)	(79,468,747)
Add: Share of Profit/(loss) in Associates		(249,655,752)	3,182,523
Loss for the period		(292,444,954)	(76,286,224)
Earnings per Equity Share face value of share ₹ 2			
Basic & Diluted	27	(12.04)	(3.14)
Summary of Significant Accounting Policies and Notes to Accounts	1 to 45		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
 For **S. K. AGRAWAL & COMPANY**
 Firm Registration No. 306033E
 Chartered Accountants
Radhakrishnan Tondon
 Partner
 Membership No. 060534
 Place : Kolkata
 Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda **Girija Kumar Choudhary**
 Director Wholetime Director & CFO

Abhijit Dan
 Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2012

	Amount in ₹	
	2011-12	2010-11
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before tax	(40,318,362)	(78,044,458)
Add: Adjusted for		
Depreciation and Amortisation Expense	1,870,954	1,196,838
Finance Costs	270,718,398	284,010,174
Share of loss in Partnership Firm	1,029,238	8,245,302
Loss on Sale of Fixed Assets	8,723	-
Interest Income	(77,804,120)	(93,239,544)
Profit on sale of Current Non-Trade Investment	-	(31,365)
Operating Profit before Working Capital Changes	155,504,831	122,136,947
Adjusted for :		
Increase/(decrease) in Long - Term Provisions	1,525,016	147,205
Increase/(decrease) in Trade Payables	8,275,443	(926,954)
Increase/(decrease) in Other Current Liabilities	1,033,484,260	(148,110,929)
Increase/(decrease) in Short - Term Provisions	2,547,195	1,468,146
Decrease/(increase) in Long - Term Loans and Advances	(13,542,989)	2,499,711
Decrease/(increase) in Inventories	(428,687,871)	(273,920,414)
Decrease/(increase) in Trade Receivables	368,400	921,600
Decrease/(increase) in Short - Term Loans and Advances	(139,361,976)	(16,144,159)
Cash Generated from Operations	620,112,309	(311,928,847)
Less : Taxes Paid	2,612,861	1,453,822
Net Cash from Operating Activities (A)	617,499,448	(313,382,669)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(5,471,007)	(1,951,115)
Proceeds from Sale of Fixed Assets	9,000	-
Purchase of Long Term Investment	(13,710,067)	-
Investment in Associates	(600,000)	(10,000)
Investment in Partnership Firm	8,750,000	18,546,270
Loans Given	(604,254,418)	(445,975,269)
Loans Realised	330,578,627	829,591,882
Sale of Mutual Fund	-	30,031,365
Purchase of Mutual Fund	-	(30,000,000)
Interest Received	77,804,120	93,239,544
Net Cash from Investing Activities (B)	(206,893,745)	493,472,677

Consolidated Cash Flow Statement for the year ended 31st March, 2012

	Amount in ₹	
	2011-12	2010-11
C. Cash Flow from Financing Activities		
Proceeds from Long-Term Borrowings	147,898,124	280,000,000
Proceeds from Short-Term Borrowings	(214,561,668)	(248,552,723)
Interest Paid	(270,718,398)	(284,010,174)
Net Cash from Financing Activities (C)	(337,381,942)	(252,562,897)
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	73,223,761	(72,472,889)
Cash and Cash Equivalents at the beginning of the year *	36,322,218	108,795,107
Cash and Cash Equivalents at the end of the year *	109,545,979	36,322,218

* Represents Cash and Bank Balance as indicated in Note No 16

As per our report of even date
 For **S. K. AGRAWAL & COMPANY**
 Firm Registration No. 306033E
Chartered Accountants
Radhakrishan Tondon
Partner
 Membership No. 060534
 Place : Kolkata
 Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda
Director

Girija Kumar Choudhary
Wholetime Director & CFO

Abhijit Dan
Company Secretary

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

1. Significant Accounting Policies on Consolidated Accounts

I. Principles of Consolidation

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

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

II. Basis of preparation

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

III. Use of estimates

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

IV. Fixed Assets

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

V. Intangible Fixed Assets

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

VI. Depreciation and Amortisation

- (a) Depreciation on fixed assets is provided on written down value method as per rates provided in Schedule XIV of the Companies Act, 1956.
- (b) Leasehold land is amortised over the period of lease.
- (c) Intangible assets are amortised over their estimated useful life determined by the management on the basis of technical evaluation etc.

VII. Investment

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

VIII. Inventories

- a) Land : At cost
- b) Construction Work in Progress : At cost and includes Construction costs, allocated interest and expenses incidental to the implementation and promotion of the project undertaken by the Company. The work-in-Progress includes materials in hand, meant for consumption in construction activities
- c) Finished Goods : At cost or net realisable value whichever is lower.

IX. Provisions and Contingent Liabilities

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

X. Revenue Recognition

- a) Revenue shall be recognized on the completion of Projects.
- b) Interest income is recognized on accrual basis.
- c) Dividend income is recognised in the Statement of Profit and Loss when right to receive the same is established.
- d) Revenue in respect of insurance/other claims, interest thereon, etc., is recognised only when it is reasonably certain that the ultimate collection will be made.

XI. Borrowing Costs

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

XII. Employee Benefits

(A) Post Employment Benefits and Other Long Term Benefits :

- a) Company's contribution for the year paid/payable to defined contribution retirement benefit plans is charged to Statement of Profit and Loss.
- b) The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. 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.

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

- c) Provision for Leave encashment and Gratuity is made on the basis of actuarial valuation as at the year end as per the requirements of Accounting Standard –15 (revised 2005) on “Employee Benefits”.
- d) Actuarial gains and losses comprise experience adjustments and the effect of changes in the actuarial assumptions is recognised immediately in the Statement of Profit and Loss as an income or expense.

(B) Short-term Employee Benefits :

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee rendered services. These benefits include compensated absences.

XIII. Taxation

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

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

XIV. Foreign Currency Transactions

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

XV. Impairment of Assets

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

XVI. Segment Reporting

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

XVII. Earning per share

Basic earnings per share are calculated by dividing the net profit/loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for the events of bonus issue and share split.

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

XVIII. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise current account bank balance, cash in hand and bank deposit account balance (with maturity of three months or less as at the balance sheet date).

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

XIX. List of Subsidiaries and Associates

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

Name of Subsidiaries	Country of Incorporation	Extent of Holding
Emami Realty Ltd	India	100%
Emami Rainbow Niketan Private Limited (Subsidiary of Emami Realty Limited)	India	100%
Octagon BPO Private Limited (Subsidiary of Emami Realty Limited)	India	100%
Emami Ashiana Private Limited (Subsidiary of Emami Realty Limited)	India	100%
Emami Constructions Private Limited (Subsidiary of Emami Realty Limited)	India	80%
New Age Realty Private Limited (Subsidiary of Emami Realty Limited)	India	60%
Delta PV Private Limited (Subsidiary of Emami Realty Limited)	India	55%

- b) Investments in Associates

Name of Associates	Country of Incorporation	Extent of Holding
Roseview Developers Private Limited (An Associate of Emami Realty Limited)	India	50%
Shraddha Niketan Private Limited (Associates of Emami Realty Limited)	India	50%
N.K.Plaza Private Limited (100% Subsidiary of Shraddha Niketan Private Limited) (An Associate of Emami Realty Limited)	India	50%
P.S.Srijan Projects (An Associate of Emami Realty Limited)	India	50%
Prajay Urban Private Limited (An Associate of Emami Realty Limited)	India	50%
Emami Canopy Projects Private Limited (An Associate of Emami Realty Limited)	India	30%
Zandu Realty Limited (An Associate of Emami Rainbow Niketan Private Limited)	India	35.51%
Bengal Emami Housing Limited (An Associate of Emami Realty Limited w.e.f 27.06.2011)	India	30%

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

	Amount (₹)	
	As at	
	31st March, 2012	31st March, 2011
2. Share Capital		
Authorized Shares		
2,50,00,000 equity shares of ₹ 2/- each	50,000,000	50,000,000
Issued, Subscribed and Fully Paid-up		
2,42,98,392 Equity Shares of ₹ 2/- each*	48,596,784	48,596,784
	48,596,784	48,596,784

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

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

Equity Shares	As at			
	31st March 2012		31st March 2011	
	No of shares	Amount (₹)	No of shares	Amount (₹)
At the beginning of the period	24,298,392	48,596,784	24,298,392	48,596,784
Issued during the period	-	-	-	-
Outstanding at the end of the period	24,298,392	48,596,784	24,298,392	48,596,784

b. Rights attached to Equity Shares

The company has only one class equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in Company

Name of Shareholders	As at			
	31st March 2012		31st March 2011	
	No of shares	% holding in the class	No of shares	% holding in the class
Diwakar Viniyog Private Limited	3,412,491	14.04%	3,412,491	14.04%
Suntrack Commerce Private Limited	3,372,333	13.88%	3,372,333	13.88%
Bhanu Vyapaar Private Limited	2,778,899	11.93%	2,778,899	11.93%
Emami Enclave Makers Private Limited	1,411,000	5.81%	1,411,000	5.81%
Emami High Rise Private Limited	1,392,000	5.73%	1,392,000	5.73%
Suraj Viniyog Private Limited	1,294,491	5.33%	1,294,491	5.33%

	As at	
	31st March, 2012	31st March, 2011
	3. Reserve & Surplus	
Capital Reserve		
At the beginning and at the end of the year	234,249,216	234,249,216
Surplus/(deficit) in the Statement of Profit & Loss		
At the beginning of the year	304,062,881	380,349,105
Add : Surplus/(deficit) transferred from Statement of Profit & Loss	(292,444,954)	(76,286,224)
Net Surplus/(deficit) in Statement of Profit & Loss	(11,617,927)	304,062,881
Total Reserves and Surplus	(245,867,143)	538,312,097

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

4. Long-Term Borrowings	Amount (₹)	
	As at	
	31st March, 2012	31st March, 2011
Secured		
Term Loan from Bank (Refer Note No. 33)	376,854,478	251,456,354
(A)	376,854,478	251,456,354
Unsecured		
Optionally Convertible Debenture ^{1, 2 & 3}	429,178,000	406,678,000
(B)	429,178,000	406,678,000
(A+B)	806,032,478	658,134,354

¹ ₹10.36 crore Optionally Convertible Debentures (OCD) redeemable at par or premium on expiry of 30 months starting from 31st March, 2011. However M/s Anand Rathi Realty Fund, a debenture holder has called for pre-redemption of OCD. The matter is before the sole arbitrator whose award is pending. However, the Company has paid a sum of ₹ 10.36 Crores as advance against redemption of OCD.

² ₹2.30 crore Optionally Convertible Debentures (OCD) redeemable at par or premium on expiry of 36 months starting from 09th August, 2009. However M/s Anand Rathi Realty Fund, a debenture holder has called for pre-redemption of OCD. The matter is before the sole arbitrator whose award is pending. However, the Company has paid a sum of ₹ 2.30 Crores as advance against redemption of OCD.

³ ₹ 30.25 crore Optionally Convertible Debentures are redeemable at par or premium at or before the end of three years from the date of allotment.

5. Long - Term Provisions

Provision for Employees Benefits (Refer Note No. 28)		
Provision for Gratuity	1,342,622	629,857
Provision for Leave Encashment	1,086,390	274,139
	2,429,012	903,996

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

6. Short - Term Borrowings	Amount (₹)	
	As at	
	31st March, 2012	31st March, 2011
Secured		
10.75% Redeemable Non - Convertible Debentures	–	1,000,000,000
Overdraft Facility from Bank [Refer Note No. 33(a)]	221,575,269	–
	221,575,269	1,000,000,000
Unsecured		
Loans from Bank	500,000,000	–
Loans from Related Party (Refer Note No. 29)	843,457,547	205,203,547
Loans from Other Body Corporates	81,202,500	652,102,500
Advances from Related Party (Refer Note No. 29)	1,250,000	5,340,937
Advances from Others	11,000,000	11,000,000
	1,437,510,047	873,646,984
	1,659,085,316	1,873,646,984
7. Trade Payables		
Micro, Small and Medium Enterprises	–	–
Others	10,443,868	2,168,425
	10,443,868	2,168,425
8. Other Current Liabilities		
Current Maturities of Long Term Debt [Refer Note No. 33(b)]	140,000,000	–
Interest accrued but not due on borrowings	567,123	27,707,534
Interest accrued and due on borrowings	176,381,209	126,828,480
Debenture Application Money	875	875
Unclaimed Fractional Share Sale Proceeds ⁴	24,638	24,739
Advances from Customers	901,969,317	850,860
Advances from Others	7,074,601	7,825,836
Liabilities for Expenses	910,519	341,578
Cheques Overdrawn	–	30,935,639
Retention Money	3,008,003	–
Other Payable		
Employees Benefits	3,257,826	6,742
Duties & Taxes	16,052,391	21,239,959
	1,249,246,502	215,762,242

⁴ There is no amount due and outstanding to be credited to Investors Education and Protection Fund as at March 31, 2012)

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

Amount (₹)

9. Short-Term Provisions	As at	
	31st March, 2012	31st March, 2011
Provision for Employee Benefits (Refer Note No. 28)		
Provision for Gratuity	28,391	12,159
Provision for Leave Encashment	67,247	149,144
Provision for Income Tax	26,615,248	24,002,388
Provision for FBT	177,018	177,018
	26,887,904	24,340,709

10. Fixed Assets

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	As on 01.04.2011	Additions	Deductions/ Adjustments	As on 31.03.2012	As on 01.04.2011	For the year	Deductions/ Adjustments	Upto 31.03.2012	As on 31.03.2012	As on 31.03.2011
Tangible Assets										
Land	531,650	-	-	531,650	-	-	-	-	531,650	531,650
Plant & Machinery	528,234	502,040	-	1,030,274	30,178	96,025	-	126,203	904,071	498,056
Office Equipments	948,809	195,385	27,359	1,116,835	230,441	110,147	9,636	330,952	785,883	718,368
Electrical Accessories	1,653,721	-	-	1,653,721	612,622	144,817	-	757,439	896,282	1,041,099
Computer Peripheral	1,693,102	1,005,638	-	2,698,740	1,024,525	454,298	-	1,478,823	1,219,917	668,577
Furniture & Fittings	2,930,425	203,746	-	3,134,171	1,278,893	314,166	-	1,593,059	1,541,112	1,651,532
Porta Cabin	-	1,500,038	-	1,500,038	-	134,421	-	134,421	1,365,617	-
Motor Car	789,500	1,517,781	-	2,307,281	120,396	516,797	-	637,193	1,670,088	669,104
Sub-Total (A)	9,075,441	4,924,628	27,359	13,972,710	3,297,055	1,770,671	9,636	5,058,090	8,914,620	5,778,386
Intangible Assets										
Software	43,888	546,379	-	590,267	34,950	100,283	-	135,233	455,034	8,938
Sub-Total (B)	43,888	546,379	-	590,267	34,950	100,283	-	135,233	455,034	8,938
Grand Total (A+B)	9,119,329	5,471,007	27,359	14,562,977	3,332,005	1,870,954	9,636	5,193,323	9,369,654	5,787,324
Previous Year	7,168,214	1,957,315	6,200	9,119,329	2,135,167	1,197,552	714	3,332,005	5,787,324	-

Amount (₹)

11. Goodwill on Consolidation	As at	
	31st March, 2012	31st March, 2011
Goodwill on Consolidation	134,594,599	134,594,599
Less: Capital Reserve on Consolidation	23,449,939	23,449,939
	111,144,660	111,144,660

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

12. Non - Current Investments (Long-Term Investment)	Amount in ₹			
	As at			
	31st March, 2012		31st March, 2011	
A. Investment Property				
Bengal NRI Complex Limited		23,719,599		10,009,532
		23,719,599		10,009,532
B. Trade Investments				
I. In Associates				
a. Equity Shares - quoted fully paid up				
Zandu Realty Limited	894,426,891		894,426,891	
2,86,329 Equity Shares of ₹ 100/- each				
Add : Share of Profit/(Loss) upto 31st March, 2012	(246,324,804)	648,102,087	3,246,980	897,673,871
b. Equity Shares - Unquoted fully paid up				
Roseview Developers Private Limited	50,000		50,000	
5,000 Equity Shares of ₹ 10/- each				
Add : Share of Profit/(Loss) upto 31st March, 2012	(50,000)	-	(50,000)	-
Palace Properties (India) Private Limited				
24,500 Equity Shares of ₹ 10/- each	-	-	-	-
Prajay Urban Private Limited				
5,000 Equity Shares of ₹ 10/- each	50,000		50,000	
Add : Share of Profit/(Loss) upto 31st March, 2012	(50,000)	-	(33,462)	16,538
Shraddha Niketan Private Limited				
50,000 Equity Shares of ₹ 10/- each	500,000		500,000	
Add : Share of Profit/(Loss) upto 31st March, 2012	(100,735)	399,265	(78,509)	421,491
Emami Canopy Projects Private Limited				
15,000 Equity Shares of ₹ 10/- each	150,000		150,000	
Add : Share of Profit/(Loss) upto 31st March, 2012	(25,259)	124,741	(19,364)	130,636
Bengal Emami Housing Limited				
60,000 (31st March 2011: Nil)				
Equity Shares of ₹ 10/- each	600,000		-	
Add : Share of Profit/(Loss) upto 31st March, 2012	(38,062)	561,938	-	-
c. Debentures - Unquoted fully paid up				
Prajay Urban Private Limited				
24,480 Optionally Convertible Debentures of ₹ 10,000/- each		244,800,000		244,800,000
		893,988,031		1,143,042,536
C. Investment in Partnership Firm				
P.S. Srijan Projects	60,396,883		87,188,455	
Add : Interest	-		9,453,730	
	60,396,883		96,642,185	
Less : Contribution withdrawals	8,750,000		28,000,000	
Add : Share of Profit/(Loss) upto 31st March, 2012	(1,029,238)		(8,245,302)	
		50,617,645		60,396,883
D. Government Securities - Unquoted				
6 Year National Savings Certificate		2,000		2,000
Total Non - Current Investments (A+B+C+D)		675,191,284		1,213,450,951
Aggregated amount of quoted investments		648,102,087		897,673,871
Market value of quoted investments		458,097,767		569,336,584
Aggregated amount of unquoted investments		320,225,188		315,777,080

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

13. Long - Term Loans and Advances (Unsecured, considered good)	Amount (₹)	
	As at	
	31st March, 2012	31st March, 2011
Deposit under JDA	50,000,000	50,000,000
Advances to Related Party (Refer Note No. 29)*	74,150,000	74,150,000
Advances to Others	68,587,168	72,544,178
Security Deposits		
- Related Party (Refer Note No. 29)	2,284,200	1,564,200
- Others	17,605,200	825,200
	212,626,568	199,083,578

* Includes ₹ 7.42 Crores given to Companies with Common Directorship.

14. Inventories

A. Work-in-Progress		
Land	427,570,635	442,526,940
Work-in-Progress	1,001,227,784	564,434,514
	(A)	1,006,961,454
B. Finished Goods		
Finished Goods - Plots	26,962,714	20,111,808
	(B)	20,111,808
	(A+B)	1,027,073,262

15. Trade Receivables (Secured, considered good)

Others	150,000	518,400
	150,000	518,400

16. Cash and Cash Equivalents

Balances with Banks :		
In Current Accounts	38,853,943	4,919,736
Debt Service Reserve Account	8,625,000	-
Escrow Account / Fractional Share Sale Proceeds	24,638	24,739
Cash in hand	576,681	668,538
Cheques in hand	40,000,000	-
Fixed deposits with Banks ⁵	21,465,717	30,709,205
	109,545,979	36,322,218

⁵ Fixed deposits with banks include deposits of ₹ 3,85,000 (31st March 2011 : ₹ 2,00,000) with maturity of more than 12 months given as bank guarantee.

17. Short-Term Loans and Advances (Unsecured considered good)

Loans *		
- Related Party (Refer Note No. 29)	374,315,155	102,132,653
- Others	511,431,198	509,937,909
Security Deposits	533,248	389,200
Advances to Related Party (Refer Note No. 29)	20,677,730	9,030,015
Advances against Trade Payable	5,360,727	-
Other Receivables	196,446,406	92,428,812
Advance Income Tax	57,641,270	51,373,353
Prepaid Expenses	16,481,667	4,557,691
	1,182,887,401	769,849,633

* Includes ₹ 86.40 Crores given to Companies with Common Directorship.

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

18. Revenue from Operations	Amount (₹)	
	Year ended	
	31st March, 2012	31st March, 2011
Land	19,949,225	1,100,737
Flat	–	7,110,978
	19,949,225	8,211,715
19. Other Income		
Interest Income		
- Loans Given	77,328,848	81,547,270
- Partnership Firm	–	9,453,730
- Fixed Deposit	270,929	2,228,044
- Income Tax Refund	2,880	27,604
- Others	201,463	–
(A)	77,804,120	93,256,648
Profit on Sale of Current Non-Trade Investment	–	31,365
Miscellaneous Income	275,000	400,000
Liabilities Written back	–	1,500
(B)	275,000	432,865
(A + B)	78,079,120	93,689,513
20. (Increase)/Decrease in Inventories		
I. Opening Stock		
Land	442,526,940	442,978,345
Work-in-Progress	564,434,514	290,062,691
Finished Goods - Plots	20,111,808	20,111,808
	1,027,073,262	753,152,844
II. Closing Stock		
Land	427,570,635	442,526,940
Work-in-Progress	1,001,227,784	564,434,514
Finished Goods - Plots	26,962,714	20,111,808
	1,455,761,133	1,027,073,262
Net (Increase)/Decrease (I - II)	(428,687,871)	(273,920,418)

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

	Amount (₹)	
	Year ended	
	31st March, 2012	31st March, 2011
21. Purchases		
Land	–	874,800
Flat	–	5,300,000
	–	6,174,800
22. Employee Benefits Expense		
Salaries and Wages	50,563,208	11,529,912
Contribution to Provident and Other Funds	1,630,302	335,247
Staff Welfare Expenses	331,680	32,812
	52,525,190	11,897,971
23. Finance Costs		
Interest Expenses	266,151,019	279,149,269
Other Borrowing Costs	4,567,379	4,860,905
	270,718,398	284,010,174
24. Project Expenses		
Land Development	1,509,414	–
Preconstruction Works	744,701	–
Site Office	173,665	–
Access Road	1,435,034	–
Area Lighting	1,689,158	–
Sales Centre & Show Flat	9,200,879	–
Boundary Wall	260,883	–
Borewell	1,474,958	–
Pilling	2,289,674	–
Consultant & Professional Fees	18,239,686	9,797,685
Sanction & Others Fees	24,545,948	31,470,182
Sales & Marketing Expenses	11,752,387	2,605,282
Landscape Plan	2,166,000	–
Power and Electricity	3,424,002	2,449,304
Rent	1,378,880	1,240,428
Repair and Maintenance	1,007,308	708,554
Rates & Taxes	2,237,930	84,214
Materials Consumed	98,240,549	43,727,311
Constructions Expenses	37,707,232	35,216,804
Other Operating Expenses	5,372,799	3,156,413
Foreign Exchange Fluctuation	195	–
Travelling & Conveyance	2,423,668	1,290,803
Loss on Sale of Fixed Assets	8,723	–
Weighbridge	1,172,872	–
Payment to Auditors (Refer Note No. 30)	80,899	44,120
	228,537,444	131,791,100

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

25. Depreciation and Amortisation Expenses	Amount (₹)	
	Year ended	
	31st March, 2012	31st March, 2011
Depreciation and Amortisation	1,870,954	1,196,838
	1,870,954	1,196,838

26. Other Expenses

Electricity Charges	1,136,347	847,741
Rent	1,895,367	1,725,322
Repair and Maintenance	2,070,883	1,750,572
Bad Debts	–	767,837
Rates & Taxes	134,888	105,138
Advertisement & Publicity	371,422	321,699
Royalty	110,300	441,200
Printing & Stationery	486,548	366,283
Postage & Telephone	297,811	301,162
Travelling & Conveyance	891,272	781,079
Legal & Professional Fees	1,267,467	1,824,310
Share of Loss in Partnership Firm	1,029,238	8,245,302
Trust Deed Registration Expenses	44,044	208,768
Other Construction Expenses	2,228,383	–
Miscellaneous Expenses	672,456	685,256
Payment to Auditors' (Refer Note No. 30)	746,166	423,552
	13,382,592	18,795,221

27. Earnings per Share (EPS)

Earnings per Share is calculated as follows :		
Net Profit/(loss) after tax attributable to Equity Shareholders	(292,444,954)	(76,286,224)
Weighted average number of equity shares Basic and Diluted	24,298,392	24,298,392
Nominal value of Equity Share	2	2
Basic and Diluted Earnings per Share	(12.04)	(3.14)

28. Defined Benefit Plans

As per actuarial valuations as on 31st March, 2012 and recognised in the financial statement in respect of Employee benefit schemes

Particulars	31st March, 2012		31st March, 2011	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
A. Components of Employer Expenses				
1. Current Service Cost	610,377	1,449,551	140,789	143,085
2. Interest Cost	54,571	35,753	43,575	22,602
3. Expected Return on plan assets	–	–	–	–
4. Actuarial Gain/Losses	64,049	(749,645)	(87,040)	39,672
5. Benefits paid	–	–	–	(129,212)
6. Total Expenses recognised in the Statement of Profit and Loss	728,997	735,659	97,324	76,147

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

Amount (₹)

28. Defined Benefit Plans (Contd.)

Particulars	31st March, 2012		31st March, 2011	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
B. Net asset/(liability) recognised in balance sheet as at 31st March, 2012				
1. Present value of Defined Benefits Obligation	1,371,013	1,153,637	642,016	423,283
2. Fair value of plan assets	–	–	–	–
3. Funded Status [Surplus / (Deficit)]	(1,371,013)	(1,153,637)	(642,016)	(423,283)
4. Net asset/(liability) recognised in balance sheet	(1,371,013)	(1,153,637)	(642,016)	(423,283)
C. Change in Defined Benefit Obligation during the year ended 31st March, 2012				
1. Present value of DBO at beginning of period	642,016	423,283	544,692	347,136
2. Current Service Cost	610,377	1,449,551	140,789	143,085
3. Interest Cost	54,571	35,753	43,575	22,602
4. Actuarial Gain/ Losses	64,049	(749,645)	(87,040)	39,672
5. Benefits paid	–	(5,305)	–	(129,212)
6. Present value of DBO at the end of period	1,371,013	1,153,637	642,016	423,283
D. Change in Fair Value of Assets				
1. Plan assets at beginning of period	–	–	–	–
2. Expected Return on Plan assets	–	–	–	–
3. Actuarial Gains	–	–	–	–
4. Actual company contributions	–	5,305	–	129,212
5. Benefits paid	–	(5,305)	–	(129,212)
6. Plan assets at the end of period	–	–	–	–
E. Actuarial Assumptions				
1. Discount Rate	8.50%	8.50%	8.00%	8.00%
2. Inflation Rate	5.00%	5.00%	5.00%	5.00%

29. Related party disclosures

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

A. Associates

- Roseview Developers Private Limited
- Emami Canopy Projects Private Limited
- Bengal Emami Housing Limited (wef 27.06.2011)
- Zandu Realty Limited*
- Prajay Urban Private Limited
- Shraddha Niketan Private Limited
- N K Plaza Private Limited (100% subsidiary of Shraddha Niketan Private Limited)
- Palace Properties (India) Private Limited **

* An associate of Emami Rainbow Niketan Private Limited

** This investment was written off at Book Value during the F.Y. 2009-10.

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

Amount (₹)

B. Partnership Firm

1. P S Srijan Projects

C. Key Management Personnel

1. Shri Rajesh Bagaria
2. Shri Raj K Sureka

D. Other Related Parties with whom transactions have taken place during the year

Entities where Key Management Personnel and their relatives have significant influence or control

1. Auto Hitech Private Limited
2. New Age Malls Private Limited
3. Emami Estates Private Limited
4. Emami Nirman Private Limited
5. Emami Projects Private Limited
6. Emami Skyhigh Private Limited
7. Emami Vriddhi Commercial Private Limited
8. Emami Limited
9. Emami Home Private Limited
10. Anamika Kala Sangam Trust
11. Emami Properties Private Limited
12. Aviro Vyapar Private Limited
13. Emami Vedic Realty Private Limited
14. Bengal Emami Housing Limited (upto 26.06.2011)

Transactions during the year with related parties :

Nature of Transactions	Associates		Key Management Personnel		Entities over which Key Management Personnel and their relatives have significant influence or control		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
Directors' Fees	-	-	30,000	25,000	-	-	30,000	25,000
Rent	-	-	-	-	2,954,247	2,784,202	2,954,247	2,784,202
Repair & Maintenance	-	-	-	-	2,424,807	2,254,762	2,424,807	2,254,762
Electricity Charges	-	-	-	-	1,136,347	847,741	1,136,347	847,741
Royalty	-	-	-	-	110,300	441,200	110,300	441,200
Corporation Tax	-	-	-	-	69,388	69,388	69,388	69,388
Advance Received	-	1,250,000	-	-	-	30,000,000	-	31,250,000
Advance Repayment	-	-	-	-	-	30,072,000	-	30,072,000
Loan Given	8,505,000	7,047,000	-	-	287,325,551	24,605,000	295,830,551	31,652,000
Loan Realised	4,127,330	30,434,280	-	-	1,519,215	277,065,381	5,646,545	307,499,661
Interest Received	6,316,415	10,883,999	-	-	4,937,614	14,503,836	11,254,029	25,387,835
Loan Received	740,700,000	-	-	-	23,200,000	14,493,426	763,900,000	14,493,426
Loan Repayment	-	-	-	-	125,646,000	14,613,945	125,646,000	14,613,945
Interest Paid	605,924	-	-	-	25,971,910	109,921	26,577,834	109,921

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

Amount (₹)

Nature of Transactions	Associates		Key Management Personnel		Entities over which Key Management Personnel and their relatives have significant influence or control		Total	
	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011	31/03/2012	31/03/2011
Advance Given	400,000	193,030	-	-	11,247,715	18,000	11,647,715	211,030
Advance Realised	-	4,000,000	-	-	-	-	-	4,000,000
Investments	600,000	10,000	-	-	-	-	600,000	10,000
Security Deposit	-	-	-	-	720,000	-	720,000	-
Balance as on 31st March 2012								
Loans Received	740,700,000	-	-	-	102,757,547	205,203,547	843,457,547	205,203,547
Interest Payable	545,332	-	-	-	25,717,793	28,355,002	26,263,125	28,355,002
Loan Given	44,931,000	36,526,000	-	-	312,581,791	26,775,455	357,512,791	63,301,455
Interest Receivable	12,021,519	9,795,599	-	-	4,780,845	29,035,599	16,802,364	38,831,198
Advance Given	605,030	205,030	-	-	89,432,700	77,584,985	90,037,730	77,790,015
Advance Received	1,250,000	5,340,937	-	-	-	-	1,250,000	5,340,937
Share Application Money	4,790,000	4,790,000	-	-	-	600,000	4,790,000	5,390,000
Investments	944,605,676	1,203,439,419	-	-	-	-	944,605,676	1,203,439,419
Security Deposit	-	-	-	-	2,284,200	1,564,200	2,284,200	1,564,200

30. Payment to Auditor	As at	
	31st March, 2012	31st March, 2011
As Auditors :		
Audit Fees	666,997	363,990
Tax Audit Fees	83,961	33,090
Fees for Limited Review	66,180	66,180
For Other Services :		
Certification Fees	9,927	4,412
	827,065	467,672

31. Investment in Partnership Firm

The Company has entered into partnership agreement with P. S. Srijan Projects. The profit sharing ratio and the details of other partners are as under :

Name of the Partners	Profit Sharing Ratio		Capital		Current A/c	
	31st March, 2012	31st March, 2011	31st March, 2012	31st March, 2011	31st March, 2012	31st March, 2011
Emami Realty Limited	50%	50%	5,000,000	5,000,000	46,807,425	55,396,883
Srijan Projects Private Limited	25%	25%	2,500,000	2,500,000	23,377,514	28,453,394
P.S. Housing Finance Private Limited	25%	25%	2,500,000	2,500,000	23,383,665	28,694,268
			10,000,000	10,000,000	93,568,604	112,544,545

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

- 32 Emami Realty Limited, a wholly owned subsidiary of the Company, has entered into Joint Development Agreement with Oriental Sales Agencies (India) Private Limited for development of 14.4890 acres (approx) at 2 Jessore Road, Kolkata - 700 028 by way of two separate agreements.
- 33 Secured Loans availed from :
- ICICI Bank Limited and is secured by equitable mortgage of immovable property at 2 Jessore Road, Kolkata - 700028. Further, the loan has been secured by the corporate guarantee of the Company and Oriental Sales Agencies (India) Private Limited and personal guarantee of the Directors of the Company. The loan carries interest rate of Base Rate + 3.80% p.a. and 14% in case of overdraft facility (sub limit of Term Loan) and is repayable in 20 monthly installments of ₹ 50 million each from 15th August' 2013.
 - United Bank of India and is secured by equitable mortgage of land measuring 4.21 acres situated at Kukatpally, Hyderabad, hypothecation of project assets and charge in the project cash flow. Further, the loan has been backed by Corporate Guarantee of Emami Realty Ltd, a wholly owned subsidiary of the Company and personal guarantee of the Directors. The loan carries interest rate of Base Rate + 4.1% p.a. and is repayable in 8 quarterly installments of ₹ 350 lacs each commencing from the quarter ending June' 2012.
- 34 Against the Assignment Agreement entered by New Age Realty Pvt Ltd (New Age), a 60% Subsidiary of Emami Realty Ltd, with M/S Karthikeya Ancillaries Pvt. Ltd. (the landlord) for assignment of JDA entered into between the landlord and Presidium Construction Pvt. Ltd. for development of an immovable property situated at Coimbatore, the said landlord has served Termination Notice. New Age has taken requisite legal steps including filing of cases before the various Courts. New Age has challenged the termination itself. The legal proceedings are pending and New Age has been legally advised that the result of such proceedings are expected to be in its favour.
- 35 Emami Realty Ltd (ERL), a 100% Subsidiary of the Company, has initiated the criminal proceedings U/S 418/420/120B of the Indian Penal Code against M/S Karthikeya Ancillaries Pvt. Ltd. with whom ERL has entered into Area Assignment Agreement for purchase of 28,750 sqft area in the proposed Shopping Mall at Coimbatore. The book value of Investment as on 31st March, 2012 is ₹ 9,62,42,855/- including interest capitalised till 31st March, 2011. The matter is subjudice.
- 36 For the purpose of consolidation, unaudited figures of M/s Bengal Emami Housing Limited has been considered. However, the figures are immaterial.
- 37 Current Non-Trade Investments purchased and sold during the year

Particulars	2011-12				2010-11			
	Purchases		Sales		Purchases		Sales	
	No. of Units	Amount (₹)						
Mutual Fund Units - Liquid Fund								
LIC MF Savings Plus Fund - Growth Plan	-	-	-	-	2,038,676	30,000,000	2,038,676	30,031,365
Total	-	-	-	-	2,038,676	30,000,000	2,038,676	30,031,365

- 38 Expenditure in Foreign Currency (On Payment Basis)

	31st March, 2012 Amount (₹)	31st March, 2011 Amount (₹)
Procurement of Design	2,240,608	-
Procurement of Model	636,271	-
Others	113,190	-
	2,990,069	-

- 39 The Group operates in a single business segment. Therefore, segment reporting as per AS - 17 notified by the Companies (Accounting Standard) Rules 2006 is not applicable.
- 40 Investments includes Goodwill on consolidation of Associates amounting to ₹ 222,531/- (P.Y. ₹ 128,491/-)
- 41 Since there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. Therefore Deferred tax assets of ₹ 9,648,790/- (P.Y. ₹ 3,977,706) arising on account of carried forward unabsorbed business lossess and depreciation have not been recognised in the accounts as recommended under Accounting Standard (AS-22) on "Deferred

Notes to Consolidated Financial Statements for the year ended 31st March, 2012

Taxation" issued by the Institute of Chartered Accountants of India.

- 42 Contingent Liabilities not provided for in respect of :
- Corporate Guarantee given for ₹ 210 Crores (Availed ₹ 126.69 Crores) [P.Y. ₹ 160 Crores (Availed ₹ 75.15 Crores)]
 - Disputed Direct Taxes of ₹ 34,81,259/- (P.Y. ₹ 34,72,540/-)
 - Bank Guarantee of ₹ 19,45,302/- (P.Y. ₹ 19,45,302/-)
- 43 The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
- 44 Since external and internal sources of information do not provide for any indication for impairment of fixed assets based on cash generating unit concept, no impairment is required during the year.
- 45 Previous year's figures have been rearranged or regrouped wherever necessary.

As per our report of even date

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

Firm Registration No. 306033E

Chartered Accountants

Radhakrishan Tondon

Partner

Membership No. 060534

Place : Kolkata

Date : 14th August, 2012

For and on behalf of the Board

Hari Mohan Marda

Director

Girija Kumar Choudhary

Wholetime Director & CFO

Abhijit Dan

Company Secretary

EMAMI INFRASTRUCTURE LIMITED

Registered Office : Emami Tower, 687, Anandapur E.M. Bypass, Kolkata - 700 107

PROXY FORM

Registered Folio No. DP ID No. Client ID No.

I / We

of

..... being a member/members of Emami Infrastructure Limited,

hereby appoint

of

or failing him

of as my/our proxy to attend and vote for me / us

on my/our behalf at the 4th Annual General Meeting of the Company to be held at the Registered Office of the Company on Friday, the

21st day of September, 2012, at 11.30 A.M. and at any adjournment thereof.

Signed this day of 2012

Signature.....



Note :

- 1. This proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

EMAMI INFRASTRUCTURE LIMITED

Registered Office : Emami Tower, 687, Anandapur E.M. Bypass, Kolkata - 700 107

ATTENDANCE SLIP

I certify that I am the registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 4th Annual General Meeting to be held at the Registered Office of the Company on Friday, the 21st day of September, 2012, at 11.30 A.M.

Name of the Attending Member

(In Block Letters)

Name of Proxy

(In Block letters to be filled in if the Proxy attends instead of the member)

Member's Folio / DP ID & Client ID Number

No. of Equity Shares held

.....
Member's / Proxy's Signature

Note :

- 1. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip and hand over at the entrance duly signed.
- 2. Shareholder / Proxy holder desiring to attend the meeting should bring his / her copy of the Notice for reference at the meeting.