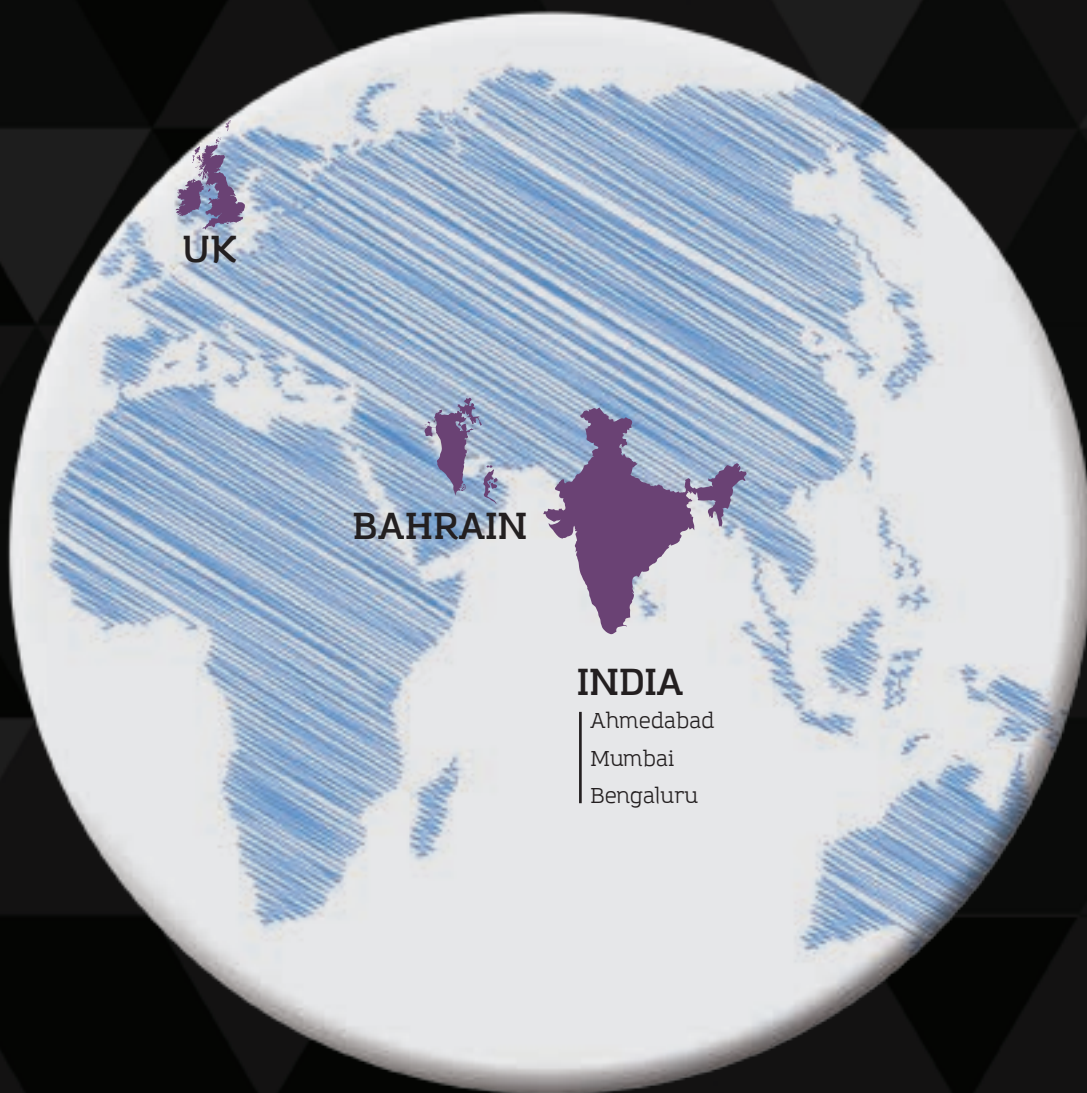




AJMERA REALTY & INFRA INDIA LIMITED

32nd ANNUAL REPORT 2018-19



Driving value
IN ALL DIRECTIONS

Across the pages

Corporate Overview 2-20

Ajmera Realty & Infra India Limited at a Glance	4
Chairman and Managing Director's Message	6
Our Value Creation Model	8
Performance Highlights	10
Enhancing Value With Consistent Execution Capabilities	12
Building Value By Capturing Newer Opportunities	14
Driving Value With Distinct Success Enablers	16
Creating Value With The People Edge	18
Corporate Social Responsibility	20

Statutory Reports 22-99

Notice	22
Board's Report	39
Management Discussion and Analysis	71
Report on Corporate Governance	77

Financial Section 100 - 170

Standalone Financial Statements	100
Consolidated Financial Statements	136

Investor Information

Market Capitalisation	: ₹ 609.10 Crores
as at March 31, 2019	
CIN	: L27104MH1985PLC035659
BSE Code	: 513349
NSE Symbol	: AJMERA
Bloomberg Code	: AREAL:IN
Dividend Declared	: ₹ 3.30 per share
AGM Date	: Monday, 30th September, 2019
AGM Venue	: The Activity Hall, Ground Floor Juhu Vile Parle Gymkhana Club, N.S.Road, Vile Parle (W), Mumbai-400049

For online version of this annual report, visit:

<http://www.aril.co.in/annual-reports.php>

Or simply scan to download:



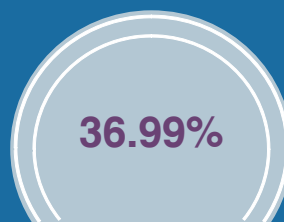
Disclaimer: This document contains statements about expected future events and financials of Ajmera Realty & Infra India Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.



Revenue in FY 2018-19



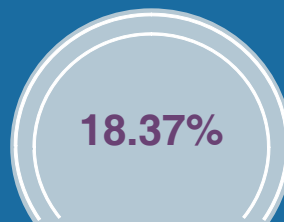
EBIDTA* in FY 2018-19



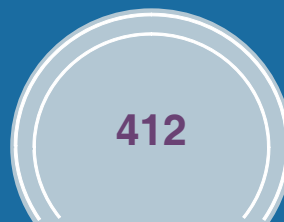
EBIDTA Margin



PAT** in FY 2018-19



PAT Margin



Happy Employees

*Earnings before interest, depreciation, tax and amortisation

** Profit after tax

A business begins with value creation. It is the fundamental purpose of an organisation to drive value for its stakeholders through efficient strategies and processes. At Ajmera Realty & Infra India Limited, our consistent growth is the result of an integrated value-driven approach in every step that we take.

Currently, the real estate industry is undergoing an interesting transformation that aims to enhance efficiency, accountability and transparency. Despite changes in the operating environment, the Company has leveraged opportunities to stay ahead of the curve. Our robust values constantly inspire us towards realising our broad vision.

With a rich group legacy of over 50 years and an enterprising leadership, we are strongly focused on project quality and execution capabilities. Mesmerising designs and engineering expertise offer desirable lifestyle and an elevated living experience to our customers. Backed by a strategic land bank, we have built splendid structures across prime locations.

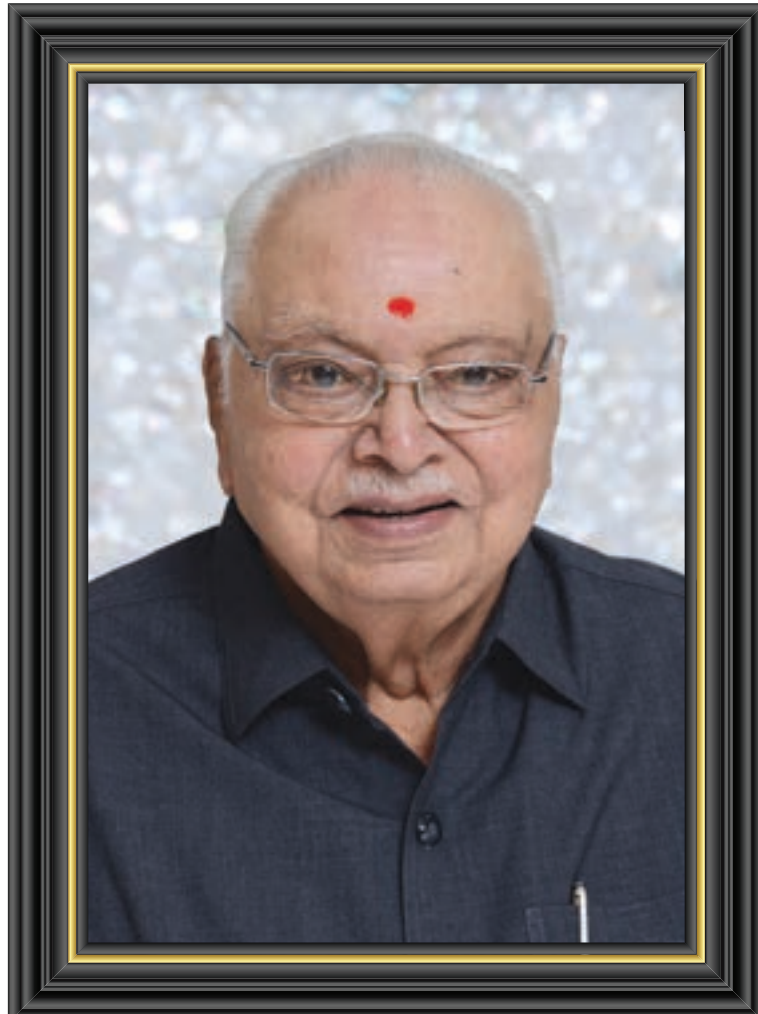
Accelerating use of the best-in-class technology and innovative practices have enhanced our productivity and efficiency. With stringent processes in place, we are passionately driven to set benchmarks in the residential and commercial space. Our signature properties across geographies, are the beacon of future living and workspaces. Besides a growing domestic presence, we are all set to strengthen our reach internationally in London and Bahrain as well.

Our foundation is built on the trust of our customers, investors, employees and the society. With a drive to grow sustainably, we adhere to our commitment to continue building superior value for our stakeholders.





Our Chairman Emeritus



LATE SHRI ISHWARLAL S. AJMERA

30th October, 1925 to 9th August, 2015

“

A visionary leadership is about making others better as a result of your presence and making sure that impact lasts forever.

”

Our Founder Chairman



LATE SHRI CHHOTALAL S. AJMERA

27th September, 1937 to 24th March, 2012

“

Good leaders have vision and inspire others to help them turn vision into reality.
Great leaders have vision, share vision, and inspire others to create their own.

”



AJMERA REALTY & INFRA INDIA LIMITED



Ajmera Realty & Infra India Limited at a glance

Night View of iLand



Vision

To be the most preferred and trusted name that enhances the quality of life through sustainable growth to all the stakeholders



Mission

To fulfil the growing aspiration of our customers, we create innovative and world-class complexes for every strata of society. Our mission is to preserve affordability with a superior outcome which is aligned with our moto “Less for More” through our presence in all segments. Beyond everything lies our integrity, values, trust and purity of truth that defines the Ajmera Builders completely. We at Ajmera offer vast spaces with a variety of countless facilities which brings distinct communities and families in “our world”.

Established in 1985 and headquartered in Mumbai, Ajmera Realty & Infra India Limited (Ajmera) is one of India's largest player in the real estate industry. The Company develops a range of residential properties such as integrated townships, residential hi-rise towers, exclusive/premium apartments and magnificent villas, among others.

The Company is known for its insightful management, outstanding quality and value additions across the projects. With splendid designs, technical expertise and on-track delivery, we are the most preferred choice in industry. Led by a strong land bank, the Company has strategically spread its presence in major cities such as Mumbai, Bengaluru and Ahmedabad. Our geographical footprint spans internationally in London and Bahrain as well. The Company is set for a higher path with a visionary leadership, architectural masterpieces, financial excellence and strong market credibility.



Chairman and Managing Director's Message



Dear Shareholders,

It is my pleasure to present you the Annual Report of the Company for the year 2018-19. We have always challenged ourselves to deliver more and set new benchmarks. With a strong core and market expertise, the Company is wisely expanding its footprint across the global real estate map. In the process, we are continuously focused on delivering sustainable long-term value for our broader stakeholder base.

Economic Scenario

I believe, India is the most exciting economy in the world today. We are a country with opportunity, potential and rising aspirations of a growing population. India is expected to be an economy worth US\$ 6 trillion in a decade from now. The GDP witnessed soft growth at 6.8% during the year 2018-19 as compared to the previous financial year. The year saw implementation of several structural and financial sector reforms, while continuing efforts to reduce the elevated public debt. With various

steps taken by the Government such as improvement in ease of doing business, liberal foreign direct investment regulations, an entailed impetus to the infrastructure development, India has a bright future ahead of it. I am optimistic that the re-election of the Government will result in a more stable and growth-centric economy in the future.

Sectoral Performance

Real estate sector, which is the second major contributor for GDP growth after agriculture, is witnessing more foreign investments in not just residential, but also the commercial segment. The Government has clearly focused on improving overall infrastructure and expediting the current pace of industrialisation. Previous year was a roller coaster ride for the sector with the Real Estate (Regulation and Development), Act 2016 (RERA) and Goods and Services Tax (GST) providing a fresh impetus to the industry after a brief tumultuous period.

However, as the investor confidence

was returning to the sector, the Non-Banking Financial Company (NBFC) crisis in the second half of 2018, induced a short period of sluggish growth in the sector. In the absence of liquid funds, small developers opted for consolidation of projects with bigger developers to meet construction deadlines.

In the Budget 2019, the Government announced the benefit of rollover of capital gains from investment in one residential house to two residential houses to promote buying of second house by buyers. To push affordable housing sale, schemes like Credit Linked Subsidy Scheme (CLSS) helped individuals with a lower income to buy their first house. In an effort to keep the prices reasonable, the Government also lowered GST rate from 12% to 8% on affordable houses under construction and reduced it further to 1% (without input tax credit). Further, in order to provide boost to 'Housing for All', an additional deduction of up to ₹ 1.5 Lakhs for interest paid is allowed on a loan borrowed up to 31st March, 2020, for house valued at up to ₹ 45 Lakhs.

The future of the real estate sector looks very promising with the introduction of programmes like 'Housing for All' and innovative offerings like co-working space, senior citizen housing and student housing, among others. The successful launch of India's maiden REIT (Real Estate Investment Trusts) came as a positive move in the sector. These developments will certainly support the sector in contributing to the growth of our economy.

Our Performance

The Company reported satisfactory performance in FY 2018-19. The revenue increased by 18.02% from ₹ 289.07 Crores in FY 2017-18 to ₹ 342.85 Crores in FY 2018-19. Also, the EBIDTA and PAT stood at ₹ 132.14 Crores and ₹ 66.17 Crores respectively in FY 2018-19. Slowdown in the real estate sector impacted the Company's profitability to certain extent. The total launched area is approximately 3 million

sq.ft cumulatively in all Mumbai, Bengaluru and Ahmedabad Projects. We have sold substantial quantity of area cumulatively in all the places.

Wadala: Our Wadala project has excellent connectivity and integrated new age living destination. Wadala is easily reachable from the Express Highway and interconnected along the Western, Central and Harbour Railway lines. Further, the new flyover connecting to BKC will be an added advantage. Eastern Express Highway touches/ passes by Wadala connecting to South Mumbai in 15 Minutes. Zeon, a part of our landmark project in Wadala, has been delivered, while the first phase of Aeon has been delivered. Treon is nearing completion and has been given for fit-outs. We have plans for further development of 30 acres of balance land at Wadala (including existing projects).

Kanjurmarg: The project is spread across approximately 1.2 million sq.ft which will be launched in the current financial year 2019-20 with all the necessary approvals in pipeline. Out of 67 acres of land, we are launching 7 acres of land in 1st Phase with a combination of Residential and Commercial complexes.

Kalina: Ajmera Summit a commercial tower at Kalina, Santa Cruz has received OC and Sales in progress.

Ahmedabad: Enigma and Casa Vyoma are the two benchmark projects at Ahmedabad. Ajmera Enigma has been completed and Casa Vyoma's phase 1 is delivered and phase 2 is expected to receive OC soon.

Bengaluru

We have our presence since more than one decade in Electronic City, Bengaluru. During our journey, we have developed and delivered approximately 2.70 million sq.ft. The Company has further acquired 5.5 acres of land at Electronic City- 2, which will strengthen our presence in the industry. Ajmera Annex and Ajmera Luganoo are the landmark projects in Bengaluru by the Ajmera Group. Ajmera Annex is completed successfully whereas Ajmera

Luganoo and Ajmera Nucleus are under construction and will be completed by 2021. Ajmera Luganoo in North Bengaluru is surrounded by 105 acres of lake and 4 acres of green stretch. The project is well connected to all important avenues of convenience.

Bahrain: We entered into a joint venture with Mayfair Housing and Bahrain's Kooheji Golden Gate, to launch the highly anticipated residential project named 'Golden Gate' at Bahrain Bay. The Project will be the tallest residential towers in the prime location of Bahrain with a touch of technological flare and grand designs. It will be our landmark project in international presence at Bahrain. Our endeavours to capitalise on right opportunities at the right time have made our brand internationally visible. We had launched the project of 450 apartments in November 2018 and out of that, we are happy to book sale of 178 apartments (40% sale) within 8 months. Our success in Golden Gate was a herculean effort by whole team to deliver one of the biggest concrete pour (3,600 cubic meter) of RAFT foundation within 62 working hours by 350 operators using 950 RMX Mix Trucks.

London: We have identified the UK market for diversification and fulfilment of our ambition to expand our presence globally. We have identified the UK market for diversification and fulfilment of our ambition to expand our presence globally. After Brexit, we feel that property market in London will get further boost. Your Company has taken conservative approach with asset light model and have entered into a joint venture with the local developer of the UK through its wholly owned subsidiary known as 'Ajmera Corporation UK Limited'. The Company plans to construct five complex houses which are in the initial stage of development. Our residential projects include Kingston, Hemel Hempstead, Southall, Bishops Avenue and Liverpool.

Driving value in all direction

In every aspect of our business, I see that the Company is inspired

and focused to drive maximum value for all. We are growing faster in the domestic as well international markets. Unmatched project execution capability has helped us in completing projects well before the set time frame. We are a name synonymous with innovative designs by using international standard construction techniques. Our foresight in selecting the right location by assessing the potential, differentiates us from others. Our abilities have fostered our commitment to create an authentic and extraordinary living experience for our customers.

Continuing our growth story, we initiated five projects across the London city by partnering with local players.

Giving Back to the Society

At Ajmera, we have always believed in inclusive growth and in taking responsibility of giving back to the community. We have taken various initiatives in the areas of education, healthcare, livelihood creation and skill development of the underprivileged section of the society. Our initiatives include Ajmera Shiksha Yojana, Ajmera Self- Development Programme and Ajmera Swaastha Yojana, among others.

Closing Thoughts

With consistent quality and focus, we will continue to create remarkable structures and world-class customer experience. We adhere to the larger purpose of this organisation i.e. to constantly create maximum value for all. I would like to appreciate all our employees for their dedication, passion and enthusiasm they bring to the work. I thank our Directors and Senior Management for their valuable guidance. Finally, I thank all our stakeholders for their support and trust in us.

Best Regards,



Rajnikant S. Ajmera

Chairman and Managing Director



Our Approach to Value Creation

At Ajmera, we are focused on delivering sustainable value to our stakeholders despite volatile industry environment. Our long-term vision and strategic roadmap has reinforced the core fundamentals of the business.

INPUT

Financial Capital



Funds deployed through debt, equity and operations.

■ Equity & Reserves: ₹ **55,824.12 Lakhs** as on 31.03.2019

■ Debt : ₹ **67,211.73 Lakhs** as on 31.03.2019

Intellectual Capital



Includes knowledge of the technology, R&D (relating to land, launch date and time for maximum return, price)

Human Capital



Includes people that drive the operations and the initiatives to nurture them to create future leadership.

■ No. of employees: **412**

■ Training imparted: **4,284** man-hour

Social and Relationship Capital



Sustaining relationship, shared values and trust with the investors, regulatory authorities, clients, sales team and communities in which the Company operates.

■ Spend on CSR activity: ₹ **123.61 Lakhs**

PROCESS

Strategic Priorities

Robust Corporate

Our Business Activities

- Planning
- Regulatory approval
- Construction
- Pre-launch research
- Sales and marketing
- Final delivery
- Post sales service
- Superior customer experience

Value creation for stakeholders

Cost