



Building on our Strengths



Annual Report 2020-21



Our Founders
Mr. R. S. Goenka (Standing) & Mr. R. S. Agarwal (Sitting)





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Corporate Information



BOARD OF DIRECTORS

Mr. Abhijit Datta, *Chairman*
Mr. Hari Mohan Marda
Mr. Ram Gobind Ganeriwala
Mr. Debasish Bhaumik
Ms. Karabi Sengupta
Mr. Basant Kumar Parakh
Dr. Nitesh Kumar Gupta, *Managing Director & CEO*
Mr. Rajesh Bansal, *Whole-time Director*



CHIEF FINANCIAL OFFICER

Mr. Rajendra Agarwal



COMPANY SECRETARY

Mrs. Payel Agarwal



STATUTORY AUDITOR

M/s Agrawal Tondon & Co.,
Chartered Accountants



BANKERS

ICICI Bank Limited
Standard Chartered Bank
RBL Bank Limited



REGISTERED OFFICE

Acropolis, 13th Floor, 1858/1, Rajdanga Main Road,
Kasba, Kolkata -700107
Phone: +91 33 6625 1200
E-mail: infra@emamirealty.com
Website: www.emamirealty.com
CIN: L45400WB2008PLC121426



REGISTRAR AND SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt. Ltd.
23, R. N. Mukherjee Road,
5th Floor, Kolkata - 700 001
Phone: +91 33 2243 5809 / 5029
Fax : +91 33 2248 4787
E-mail: mdpldc@yahoo.com

Director's Report

Dear Shareholders,

Your Directors have pleasure in presenting the 13th Annual Report of Emami Realty Limited along with the financial statements for the financial year ended March 31, 2021.

OPERATING RESULTS

Certain key aspects of the Company's performance (on a standalone basis) during the financial year ended March 31, 2021, as compared to the previous financial year are summarized below:

(₹ in Lakhs)

Particulars	Financial Year 2020-21	Financial Year 2019-20 (Restated)
Revenue from Operations	18,373	1,02,645
Other Income	14,857	19,191
Total Revenue	33,230	1,21,836
Total Expenses	32,359	1,29,133
Profit / (Loss) before Tax	871	(7,297)
Profit/ (Loss) for the Year	288	(4,891)
Other Comprehensive Income	718	(4)
Total Comprehensive Income	1,006	(4,895)

Your Company reported a total revenue of ₹ 33,230 Lakhs in 2020-21 against ₹ 1,21,836 Lakhs in 2019-20, and EBITDA of ₹ 26,266 Lakhs against ₹ 29,973 lakhs in the previous year. The Company reported profit after tax of ₹ 288 Lakhs in the current year as compared to loss of ₹ 4,891 Lakhs in the previous year.

Your Company's consolidated revenues stood at ₹ 33,121 Lakhs for the year under review against ₹ 1,22,787 Lakhs in the previous year, and EBITDA of ₹ 26,066 Lakhs in 2020-21 as compared to ₹ 29,751 Lakhs reported in the previous year. The Company reported a consolidated profit of ₹ 61 Lakhs in 2020-21 as compared to loss of ₹ 5,179 Lakhs in the previous year.

After the disruptions in the first half caused by the Pandemic, the Company saw a significant turnaround in the second half with sales almost reaching the pre-pandemic levels. During the period, the Company also launched Emami Nature, Jhansi, a flagship 100 acres self-sufficient fully integrated plotted township. The project has received very strong response and within 9 months of its launch, achieved sales of more than 40%.

Your Company has also planned to launch two new projects in the fiscal year 2021-22. "Emami Business Bay" is a IT/ITES & commercial development in Sector V area of Kolkata on 1 acre of land. The sanction plan has already been obtained and construction is expected to commence in Q2 of the fiscal year 2021-22. The other Project is "Emami Aastha" in Joka, Kolkata, one of a kind Bungalow township

spread over 38 acres. The construction is expected to start in Q2 of the Fiscal year 2021-22 on receiving the required regulatory approvals.

We are happy to inform that your Company has already handed over possession of more than 1000 units in our Project Emami City and 450 units (approx.) in our Project Emami Tejomaya. Nearly 500 families have started residing in Emami City and 350 families in Emami Tejomaya. Your Company launched few campaigns to boost sales which received huge response in the market - 'Never Ever Offer' in our Project Emami Tejomaya, 'Knockdown Scheme', 'Never Ever Offer' in our Project Emami City.

DIVIDEND

Your Directors have not recommended any dividend for the financial year 2020-21.

TRANSFER TO RESERVES

Your Directors do not propose to transfer any amount to the Reserves for the year under review.

SCHEME OF ARRANGEMENT

The Scheme of Arrangement between the Company and Oriental Sales Agencies (India) Private Limited ('OSAPL') for merger of the real estate undertaking of OSAPL with the Company was approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, vide its Order dated August 10, 2021. A certified copy of the said Order has been filed by the Company with the office of Registrar of Companies

on August 31, 2021 and accordingly, the Scheme has become operative with effect from the Appointed Date i.e., April 01, 2019. These financial statements for the financial year 2020-21 have been prepared after giving effect to the Scheme. Since the Appointed Date is April 01, 2019, the audited accounts for the financial year 2019-20 have been re-casted and re-stated.

Pursuant to the Scheme sanctioned by the Hon'ble Tribunal, your Company shall allot 99,05,000 equity shares of the Company to the shareholders of OSAPL, i.e. 2.83 fully paid up Equity Shares of ₹ 2/- each, of the Company, to the shareholders of OSAPL for every 1 fully paid up shares of ₹ 10/- each, held by such shareholder in OSAPL, on the record date. The equity shares of your Company so allotted will be listed on all the stock exchanges where the equity shares of your Company are presently listed.

SHARE CAPITAL

As at March 31, 2021, the issued, subscribed and paid-up equity share capital of the Company stands at 2,79,38,889 equity shares of ₹ 2/- each. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company under any Scheme.

CREDIT RATING

During the year under review, CARE Ratings Limited reviewed the Bank facilities aggregating to Rs. 160 Crores and assigned the Rating of CARE BBB- (Triple B minus; Outlook – Stable). The outlook on the long-term rating is Stable.

AWARDS & ACCOLADES

You would be glad to learn that your Company was recognized at the following industry forums:

- Indian Achievers' Award 2020 for "Emerging Company of the Year 2020" at the Indian Achievers' Forum.
- Global Real Estate Congress, at the Global Real Estate Award 2020, recognized your Company as the "Developer of the Year 2020" and our CEO, Dr. Nitesh Kumar Gupta as the "CXO of the Year"
- Realty+ Magazine awarded your Company as the "Fastest Growing Real Estate Brand of the Year" and our CEO, Dr. Nitesh Kumar Gupta as the "CXO of the Year" at Realty+ Excellence & Conclave Award 2021(E)
- At the 12th Annual Award Estate 2020, our Project - Emami Nature, Jhansi was awarded the "Integrated Township of the Year (East)" and our CEO, Dr. Nitesh Kumar Gupta was awarded the "Most Enterprising CXO of the Year".

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFTER THE BALANCE SHEET DATE

There has been no material changes and commitments, affecting the financial position of the Company which have occurred between March 31, 2021 and the date of this Report, other than those disclosed in this Report.

SUBSIDIARIES/ASSOCIATES/JOINT VENTURES

As at March 31, 2021, the Company has 3 subsidiaries under the Companies Act, 2013 ("Act"), namely, Sneha Ashiana Pvt. Ltd., Delta PV Pvt. Ltd. and New Age Realty Pvt. Ltd. Your Company is a partner in one LLP – Lohitka Properties LLP. In compliance with Section 129 of the Act and Ind AS 110, your Company has prepared Consolidated Financial Statements, which forms part of this Annual Report. A statement containing the salient features of the financial statements of the subsidiaries & associates in Form AOC-1 as required under Rule 5 of the Companies (Accounts) Rules, 2014 form part of this Annual Report. The highlights of performance of subsidiaries & associate companies and their contribution to the overall performance of the Company is given in **Annexure A** in Consolidated Financial Statements. The Company does not have any joint venture.

The audited financial statements of the Company along with separate audited financial statements of the subsidiaries are being placed on the Company's website www.emamirealty.com.

A Policy has been formulated for determining the Material Subsidiaries of the Company in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended. The said Policy is available at the Company's website at the weblink: <https://www.emamirealty.com/emami-realty-ltd/>.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Act in relation to loans or guarantees or securities or investments are not applicable to the Company, being an infrastructure company as defined under Schedule VI to the Act. The details of loans given, investments made, guarantees given and securities provided have been disclosed in the Notes to the Audited Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into during the financial year 2020-2021 with Related Parties as defined under the Act and SEBI Listing Regulations were in the ordinary course of business and on an arm's length basis. During the financial year, the Company has not entered into transaction with Related Parties referred to in Section 188(1) of the Act, which could be considered material. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) of the Companies Act in Form AOC-2 is not applicable.

Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Accounts (Note No. 41) forming part of the Standalone Financial Statements. The transactions with persons or entities belonging to the promoter/ promoter group which holds 10% or more shareholding in the Company as required under Schedule V, Part A (2A) of SEBI Listing Regulations are given as Note No. 41 (on Related Party Transaction) forming part of the standalone financial statements.

A policy on 'Materiality of and Dealing with Related Party Transactions' has been devised by the Board of Directors and the same may be referred to, at the Company's website at the weblink: <https://www.emamirealty.com/emami-realty-ltd/>.

PUBLIC DEPOSITS

The Company has not invited or accepted deposits from the public covered under Section 73 of the Act and The Companies (Acceptance of Deposits) Rules, 2014, as amended.

AUDITORS & AUDITORS' REPORT

At the Annual General Meeting held on September 19, 2019, M/S Agarwal Tondon & Co., Chartered Accountants, (Firm Registration No. 329088E) has been appointed as the Statutory Auditors of the Company to hold office till the conclusion of the 16th Annual General Meeting of the Company. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Auditors' Report to the shareholders for the year under review does not contain any qualification.

SECRETARIAL AUDIT

The Board had appointed M/S MKB & Associates, Practising Company Secretaries as Secretarial Auditor of the Company to conduct Secretarial Audit and his report on Company's Secretarial Audit is annexed herewith as **Annexure 1**. In

connection with the Secretarial Auditor's observation in the report, it is clarified that the Company shall disclose the required statement under clause (iv) of last proviso to Section II of Part II of Schedule V to the Companies Act, 2013 in the Notice of ensuing Annual General Meeting of the Company.

MAINTENANCE OF COST RECORDS AND COST AUDIT

Your Company is required to make and maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014. Accordingly, your Company has been making and maintaining the records as required.

In terms of Section 148 of the Act read with the Companies (Cost Records and Audits) Rules, 2014, the Audit Committee recommended and the Board of Directors appointed M/s V.K. Jain & Co., as cost auditors for FY 2020-21 in its meeting held on September 09, 2020 and as cost auditors for FY 2021-22 in its meeting held on September 06, 2021, and fixed their remuneration subject to ratification by the members in the ensuing Annual General Meeting. Accordingly, a resolution seeking members' ratification for the remuneration payable to them is included in the Notice convening the Annual General Meeting. The Board recommends the same for approval by members.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation

As per the provisions of Section 152(6)(c) of the Act, Mr. Rajesh Bansal (DIN: 00645035) retires by rotation, and being eligible, offers himself for re-appointment. In view of his considerable experience and contribution to the Company, your Directors recommend his re-appointment.

Appointment of Managing Director & CEO

Dr. Nitesh Kumar Gupta, was appointed as the CEO of the Company with effect from November 20, 2018. Considering the valuable contribution made by Dr. Kumar, the Board of Directors, at their meeting held on June 30, 2020 has elevated him to the position of Managing Director of the Company for a term of 5 years and the members, at the 12th Annual General Meeting of the Company held on September 30, 2020, have approved his appointment as Managing Director, designated as the Managing Director & CEO.

Re-appointment of Whole-time Director

The term of appointment of Mr. Rajesh Bansal (DIN: 00645035) as Whole-time Director of the Company has completed on August 09, 2021. Upon recommendation of the Nomination and Remuneration Committee, the

Board of Directors, at their meeting held on June 30, 2021, has proposed his re-appointment for another term of 3 years with effect from August 10, 2021. Proposal for his re-appointment is being placed before the shareholders for approval at the ensuing Annual General Meeting.

Appointment of CFO

Based on the recommendations of Nomination and Remuneration Committee and Audit Committee, the Board of Directors, at their meeting held on June 30, 2020, have appointed Mr. Rajendra Agarwal as the CFO of the Company w.e.f. July 01, 2020.

Resignation of Whole-time Director & CFO

During the year under review, Mr. Girija Kumar Choudhary (DIN: 00821762), resigned from the office of Whole-time Director & CFO of the Company, w.e.f. August 01, 2020. The Board places on record their appreciation for the services rendered by Mr. Girija Kumar Choudhary, during his tenure as the Whole-time Director & CFO of the Company.

Declaration given by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, as amended. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is also of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in relevant fields and they hold the highest standards of integrity.

In compliance with rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered themselves with the Indian Institute of Corporate Affairs. Since all the Independent Directors of the Company have served as directors in listed companies for a period not less than three years, they are not required to undertake the proficiency test as per rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations read with Guidance Note issued by SEBI, the Nomination and Remuneration Committee evaluated the performance of all Directors on criteria such as qualification, level of governance in meetings, preparedness for the

meeting, experience, knowledge and competence, fulfilment of functions, ability to function as a team, initiative, availability and attendance, integrity, adherence to the code of conduct, etc. Independent Directors were additionally evaluated on criteria like independence of views and judgement and the Chairman of the Board was additionally evaluated on criteria like effectiveness of leadership and ability to steer the meeting, impartiality, commitment and ability to keep shareholders' interest in mind. The Independent Directors of the Company in their separate meeting, reviewed the performance of Non-Independent Directors, the Board as a whole and of the Chairperson of the Company.

The Board, after taking into consideration the evaluation exercise carried out by the Nomination and Remuneration Committee and by the Independent Directors, carried out an evaluation of its own performance and that of its Committees. The evaluation of individual performance of all Directors (including the Independent Directors) was also carried out by the entire Board (excluding the director being evaluated).

The Directors expressed their satisfaction over the evaluation process and results thereof.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the financial year ended March 31, 2021, the Board met 4 (four) times, on June 30, 2020, September 09, 2020, November 11, 2020 and February 12, 2021. The details of the meetings of the Board of Directors held and attended by the Directors during the financial year 2020-21 are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act.

MEETING OF INDEPENDENT DIRECTORS

During the year under review, a meeting of Independent Directors was held on February 12, 2021 wherein the performance of the non-independent directors and the Board as a whole was reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as **Annexure 2**.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment